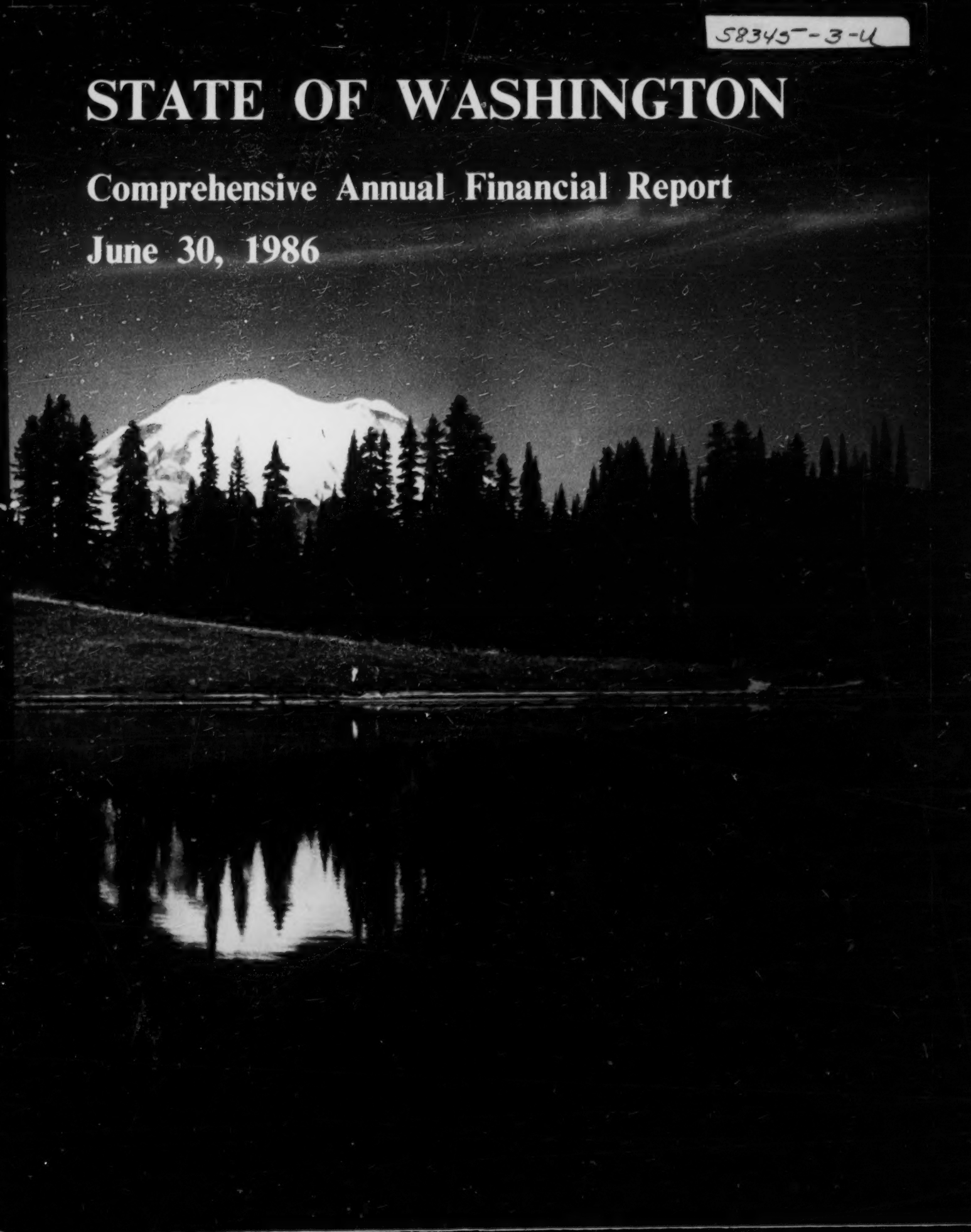
58345-3-4

STATE OF WASHINGTON

Comprehensive Annual Financial Report

June 30, 1986



No trip to Washington State, in the Northwest corner of the United States, is complete without visiting 14,410 foot Mount Rainier. People from around the world are attracted to the unsurpassed subalpine meadows and wide variety of hiking trails. Pictured on the cover is Tipsoo Lake near the eastern border of Mount Rainier National Park—Washington State Tourism Division photo.

STATE OF WASHINGTON

BOOTH GARDNER, GOVERNOR

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 1986

PREPARED BY
OFFICE OF FINANCIAL MANAGEMENT
ORIN C. SMITH, DIRECTOR

OLYMPIA, WASHINGTON

STATE OF WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986

Page

INTRODUCTORY SECTION

Transmittal Letter 2
Listing of Elected Executive Officials 8
Organization of Washington State Government 9
Graphic Presentation of Revenues and Expenditures
All Governmental Fund Types 10
General Fund 11

FINANCIAL SECTION

GENERAL PURPOSE FINANCIAL STATEMENTS

Auditor's Report 17
Combined Balance Sheet - All Fund Types and Account Groups 20
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Funds 23
Interim 1985-1987 Biennium Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget (Non-GAAP Budgetary Basis) and Actual - All Governmental Fund Types 24
Combined Statement of Revenues, Expenses, and Changes in Fund Equity - All Proprietary Fund Types and Similar Trust Funds 26
Combined Statement of Changes in Financial Position - All Proprietary Fund Types and Similar Trust Funds 27
Notes to the Combined Financial Statements 29

COMBINING FINANCIAL STATEMENTS

General Fund 59
Combining Balance Sheet 60
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance 61
Interim 1985-1987 Biennium Combining Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget (Non-GAAP Budgetary Basis) and Actual 62
Special Revenue Funds 65
Combining Balance Sheet 66
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance 68
Interim 1985-1987 Biennium Combining Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget (Non-GAAP Budgetary Basis) and Actual 70

STATE OF WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1986

Page

FINANCIAL SECTION (CONTINUED)

COMBINING FINANCIAL STATEMENTS (CONTINUED)

Debt Service Funds 75
Combining Balance Sheet 76
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance 77
Interim 1985-1987 Biennium Combining Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget (Non-GAAP Budgetary Basis) and Actual 78
Capital Projects Funds 81
Combining Balance Sheet 82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance 83
Interim 1985-1987 Biennium Combining Statement of Revenues, Expenditures, and Other Financing Sources (Uses) - Budget (Non-GAAP Budgetary Basis) and Actual 84
Enterprise Funds 87
Combining Balance Sheet 88
Combining Statement of Revenues, Expenses, and Changes in Fund Equity 90
Combining Statement of Changes in Financial Position 92
Internal Service Funds 95
Combining Balance Sheet 96
Combining Statement of Revenues, Expenses, and Changes in Fund Equity 98
Combining Statement of Changes in Financial Position 100
Trust and Agency Funds 103
Combining Balance Sheet 106
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Expendable Trust Funds 108
Combining Statement of Revenues, Expenses, and Changes in Fund Equity - Nonexpendable Trust Funds 109
Combining Statement of Changes in Financial Position - Nonexpendable Trust Funds 110
Combining Statement of Revenues, Expenses, and Changes in Fund Equity - Pension Trust Funds 112
Combining Statement of Changes in Financial Position - Pension Trust Funds 114
Combining Statement of Changes in Assets and Liabilities - Agency Funds 116
General Fixed Assets Account Group 119
Schedule of General Fixed Assets - By Function 121
Schedule of Changes in General Fixed Assets - By Function 121
General Long-Term Obligations Account Group 123
Schedule of Changes in General Long-Term Obligations 125

STATE OF WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1986

Page

STATISTICAL SECTION

SCHEDULES

Revenues and Other Sources (Uses) - All Governmental Fund Types... 130
Expenditures - All Governmental Fund Types..... 131
Refunded and Defeased Long-Term Debt - Governmental Debt Schedule. 132
Refunded and Defeased Long-Term Debt - Proprietary Debt Schedule.. 133
Detail of Bond Sale Proceeds..... 134

STATISTICS

Revenues and Other Sources (Uses) - All Governmental Fund Types - Last 10 Years..... 136
Expenditures - All Governmental Fund Types - Last 10 Years..... 136
Revenues and Other Sources (Uses) - General Fund - Last 10 Years.. 137
Expenditures - General Fund - Last 10 Years..... 137
Full-Time Equivalent Staff Comparison - Allotted Funds - Last 10 Years - 138
Full-Time Equivalent Staff Comparison - General Fund - Last 9 Years..... 138
Total Resident Population and Components of Change - Last 10 Years 139
Employment Comparison - Washington-vs-United States - Last 10 Years..... 139
Labor Force and Employment by Sector - Last 10 Years..... 140
Average Annual Wage Rates - Last 10 Years..... 140
Personal Income Comparison - Washington-vs-United States - Last 10 Years..... 141
Personal Income by Component - Last 10 Years..... 141
Property Tax Valuations and Average Tax Rates - Last 10 Years..... 142
Selected Financial Ratios - Last 10 Years..... 142
Ratio of Annual Debt Service to Expenditures - Last 10 Years..... 143
Value of Agricultural Production - Last 10 Years..... 143
Rank Order of Principal Commodities Value - Last 10 Years..... 144
International Trade Facts - All Washington Ports - Last 9 Years... 145
Major Export Trade Partners - Last 9 Years..... 145
Major Import Trade Partners - Last 9 Years..... 145
Public School Enrollment Grades K-12 - Last 10 Years..... 146
Public Higher Education Enrollment - Last 10 Years..... 146
Domestic Financial Institutions Deposits - Last 10 Years..... 147

INTRODUCTORY SECTION

STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, M.S. AQ-44 • Olympia, Washington 98504 • (206) 753-5450

December 24, 1986

The Honorable Booth Gardner,
Governor of the State of Washington,
and Members of the Legislature

In accordance with Chapter 43.88 of the Revised Code of Washington, it is my pleasure to transmit to you the Comprehensive Annual Financial Report of the State of Washington for the fiscal year ended June 30, 1986. This report has been prepared by the State's Office of Financial Management with the assistance of all State agencies. Responsibility for the accuracy of the data presented and completeness and fairness of the presentation, including all disclosures, rests with the State. I believe the information as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the State as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the State's financial activity have been included.

This report has been prepared in conformance with generally accepted accounting principles as prescribed in pronouncements of the Governmental Accounting Standards Board. The State Auditor has performed an examination of the general purpose financial statements in accordance with generally accepted auditing standards and his opinion is presented herein.

Report Structure

The Comprehensive Annual Financial Report is divided into three main sections: an introductory section containing an introduction and a graphics presentation of revenues and expenditures; a financial section beginning with the State Auditor's report and containing the general purpose financial statements, combining financial statements by fund type and other schedules; and a statistical section including financial, economic, and demographic data.

Accounting System and Budgetary Control

The State's accounting records for general governmental, expendable trust, and agency funds are maintained on a modified accrual basis. Proprietary, nonexpendable trust, and pension trust funds are accounted for on the accrual basis.

In developing and modifying the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that: transactions are executed and recorded in accordance with management's authorization; assets are safeguarded against loss from unauthorized use or disposition; and transactions are recorded in sufficient detail to permit preparation of financial statements and maintain accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires estimates and judgments by management.

Budgetary control is maintained through legislative appropriation and the executive branch allotment process. The Governor is required to submit a biennial budget to the State Legislature. The budget is legally required to be adopted through passage of appropriation bills by the Legislature and approval by the Governor. The appropriated funds are controlled by the executive branch through an allotment process. This process allocates the appropriation into monthly allotments by program, source of funds, and object of expenditure. Nonappropriated governmental funds, primarily local college and university funds, are also subject to allotment control by the executive branch.

In 1984, the State passed legislation requiring State budgeting to be on a GAAP basis starting in Fiscal Year 1987. Budgeting is currently on a modified cash basis. GAAP based budgeting will reduce current differences between budgeting and accounting.

The State's budgetary policies and procedures, fund accounting structure, and basis of accounting are explained in detail in Note 1 to the combined financial statements.

The Reporting Entity and Its Services

The accompanying Comprehensive Annual Financial Report includes all funds and account groups for which the State exercises oversight responsibility. The determination of "oversight responsibility" is based on criteria established in the Codification of Governmental Accounting and Financial Reporting Standards, section 2100. Note 1 to the combined financial statements explains more fully what financial activities are included and excluded from the reporting entity.

The State provides a wide range of services. These include education, social and health services, transportation, law, public safety, resource and recreation development, public improvements, and general administrative services.

General Governmental Functions

General governmental activities are accounted for in four governmental fund types - the general; special revenue; debt service; and capital projects funds. Revenue for general governmental functions totaled $7.5 billion for the fiscal year ending June 30, 1986. This represents an increase of 5.2 percent over revenue for the fiscal year ending June 30, 1985.

Taxes, the largest source of general governmental revenue, produced 65.3 percent of revenues compared to 64.5 percent last year. Revenue from various sources for Fiscal Years 1986 and 1985 and the changes between years are shown below (expressed in millions):

	1986		1985		Increase
Revenue Source	Amount	% of Total	Amount	% of Total	(Decrease) from 1985
Taxes	$4,904	65.3%	$4,607	64.5%	$297
Licenses, Permits, and Fees	229	3.0%	222	3.1%	7
Federal Grants-in-Aid	1,684	22.4%	1,651	23.1%	33
Charges for Services	264	3.5%	303	4.3%	(39)
Miscellaneous Revenues	431	5.8%	359	5.0%	72
Total Revenues	7,512	100.0%	7,142	100.0%	370
Other Financing Sources	1,225		446		779
Total Revenue and Other Sources	$8,737		$7,588		$1,149

Expenditures for general governmental activities totaled $8.5 billion for fiscal year ending June 30, 1986, representing a 12.2 percent increase over 1985. General governmental expenditures by function for Fiscal Year 1986 and 1985 and the changes between years are displayed below (expressed in millions):

	1986		1985		Increase
Function	Amount	% of Total	Amount	% of Total	(Decrease) from 1985
General Government	$1,715	20.1%	$1,097	14.5%	$618
Human Resources	2,203	25.9%	2,154	28.4%	49
Natural Resources	320	3.8%	277	3.6%	43
Transportation	847	9.9%	831	10.9%	16
Education	3,432	40.3%	3,231	42.6%	201
Total Expenditures	$8,517	100.0%	$7,590	100.0%	$927

Other than normal increases in revenue and expenditures, the major portion of the increase in general government revenue and other financing sources and expenditures was due to refunding of several bond issues during Fiscal Year 1986. Other financing sources increased because of proceeds from refunding bond issues totalling $811.1 million. Expenditures in amount of $812.7 million increased due to related refunding payments to escrow agents.

Debt Administration

During Fiscal Year 1986, we actively sought to improve the level of financial management at the State. In July 1986, following the end of Fiscal Year 1986, the State received an upgrade to its bond rating. Standard and Poor's Corporation raised the State's rating from "AA-" to "AA" and Moody's Investors Service raised the rating from "A" to "A1." This upgrade demonstrates our success at improving the financial operations.

At June 30, 1986, outstanding general obligation bonds totaled $2.7 billion, representing an increase of 12.8 percent over June 30, 1985. These bonds were issued primarily to provide funds for capital projects.

The following table presents a summary of general obligation bonds issued during Fiscal Year 1986:

Date of Issue	Amount (Millions)	Average Interest Rate
August 1985	$225.4	8.64%
October 1985	235.0	9.18%
April 1986	110.7	7.39%
June 1986	567.0	8.18%

The ratio of general long-term bonded debt to assessed valuation and the amount of bonded debt per capita and per family are useful indicators of the State's debt position. At June 30, 1986, these data were as follows:

	Amount (Millions)	Ratio of Debt to Assessed Value	Debt per Capita	Debt per Family
General Long-Term Bonded Debt	$2,705	1.7%	$612	$2,038

Cash Management

Statutes provide that certain excess cash balances in the State Treasury may be invested by the Office of State Treasurer (OST) through the use of the Cash Management Account. Specifically excluded from the OST Cash Management Account are pension funds, the workers' compensation fund, and certain dedicated permanent funds.

OST investment transactions during Fiscal Year 1986 were limited to: U.S. Treasury and Agency securities; repurchase agreements; reverse repurchase agreements; certificates of deposit with qualified public depositaries; and bankers' acceptances.

Total earnings from investment of the Cash Management Account balances for Fiscal Year 1986 were $67 million, representing a 23.5 percent decrease from 1985. This decrease resulted from a reduction in the size of the investment portfolio and a significant drop in interest rates. Investment earnings are credited on a 80 percent/20 percent basis. The general fund receives 20 percent and the participating funds receive 80 percent based on the fund's average daily cash balances.

Proprietary Funds

Combined operating revenues for the State's enterprise funds increased from $1,008 million in Fiscal Year 1985 to $1,191 million in 1986. This increase in revenue is primarily due to the reclassification of the University of Washington Hospital to an enterprise fund. Combined operating expenses decreased from $1,284 million to $1,160 million during the same period. The net change was due to the reclassification of the University of Washington Hospital and the maintenance of costs in Workers' Compensation Programs. Outstanding enterprise fund bonds at June 30, 1986 totaled $290 million. Bonds outstanding at year end were issued primarily to provide funding for the State Ferry System and for educational and general facilities. The two bond issues occurring during Fiscal Year 1986 were for refunding purposes.

Combined Fiscal Year 1986 operating revenues and expenses for the State's internal service funds in aggregate amounted to $224 million and $207 million, respectively, as compared to 1985 amounts of $203 million and $192 million, respectively. The State's principal internal service operations provide the following goods and services to other State agencies: data processing; data communications; printing and duplication; supplies; transportation; and other equipment. There were no internal service fund bonds outstanding at June 30, 1986.

Retirement Systems

Total net assets of the State's pension trust funds on a market basis reached $8.4 billion at June 30, 1986. The latest actuarial valuations of the pension plans indicate that the actuarial present value of accumulated benefits exceeded the actuarial value of net assets available for benefit by $2.8 billion. The funding ratio for all funds combined increased to 69.4 percent at June 30, 1986 from 62.6 percent at June 30, 1985.

General Fixed Assets

General fixed assets of the State are those used in the performance of general governmental functions and exclude fixed assets of enterprise, internal service, and nonexpendable trust funds. As of June 30, 1986, the general fixed assets of the State, net of depreciation, amounted to $1.9 billion. This amount represents the actual, estimated historic cost or fair market value of the assets, as appropriate. Depreciation of general fixed assets is recognized in the State's accounting system. Infrastructure assets, consisting principally of highways, roads, and bridges are not recorded within general fixed assets.

Certificate of Achievement for Excellence

The Government Finance Officers Association of the United States and Canada (GFOA) established the Certificate of Achievement for Excellence in Financial Reporting Program to encourage governments to publish outstanding financial reports. In order to be awarded such a certificate, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which must conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. This Certificate is valid for a period of one year only.

We believe our current report conforms to the Certificate of Achievement for Excellence in Financial Reporting Program requirements and we are submitting it to the GFOA to determine its eligibility for a Certificate.

Future Prospects

Washington State has taken decisive actions to improve the operation of State government and stimulate its economy.

Comprehensive agency reorganization efforts have been initiated in order to make State government more accountable and efficient. The largest State agency, the Department of Social and Health Services, has been restructured to streamline decision-making and reduce paperwork. Changes have been made at the Department of Revenue so that tax collections may be increased through more effective agency operations. The costs of the State administered industrial insurance program have been brought under control at the Department of Labor and Industries. Groundwork has also been laid for all State agencies to use unified business identifiers for master business licensing for all businesses operating in the State. Work is continuing on plans that will enable the Governor to have greater management control over agencies that are currently administered by appointed commissions. Additional actions have been initiated to combine agencies that have similar responsibilities.

Since future economic growth in Washington State depends on international markets, actions have been taken to increase trade and encourage foreign investment in the State. An integrated economic development program has been initiated. Leaders from business, local government, universities, and the State are all working together to market the assets of Washington State. Trade missions have been sent to Japan, China, and Korea. In addition, selected tax incentives have been implemented to attract new industry to the State.

Washington State recognizes that the strength of its economy is directly related to the quality of its educational system. Major initiatives have been announced to improve the system from kindergarten to graduate school. In the global economy, states with the best-educated work forces have the competitive edge.

In order to break the cycle of poverty, Washington State is also proposing that the current welfare system be replaced with innovative programs that provide incentives to work.

By pursuing aggressive agency management and economic development initiatives, Washington State is ensuring a bright future for its citizens.

Sincerely,

Orin C. Smith

Orin C. Smith
Director

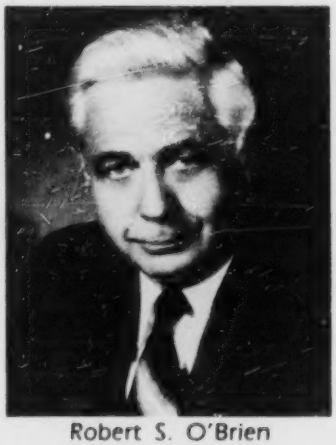
OCS:DB:dh

STATE OF WASHINGTON
Elected Executive Officials
June 30, 1986

Booth Gardner
Governor

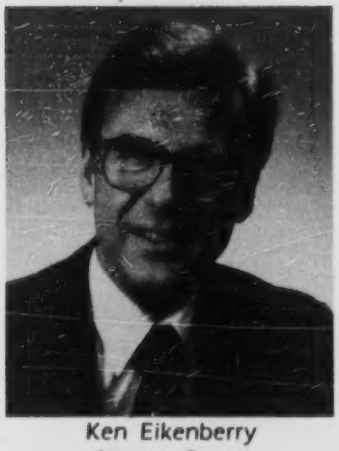
John A. Cherberg
Lieutenant Governor

Ralph Munro
Secretary of State



Robert S. O'Brien
Treasurer

Robert V. Graham
Auditor



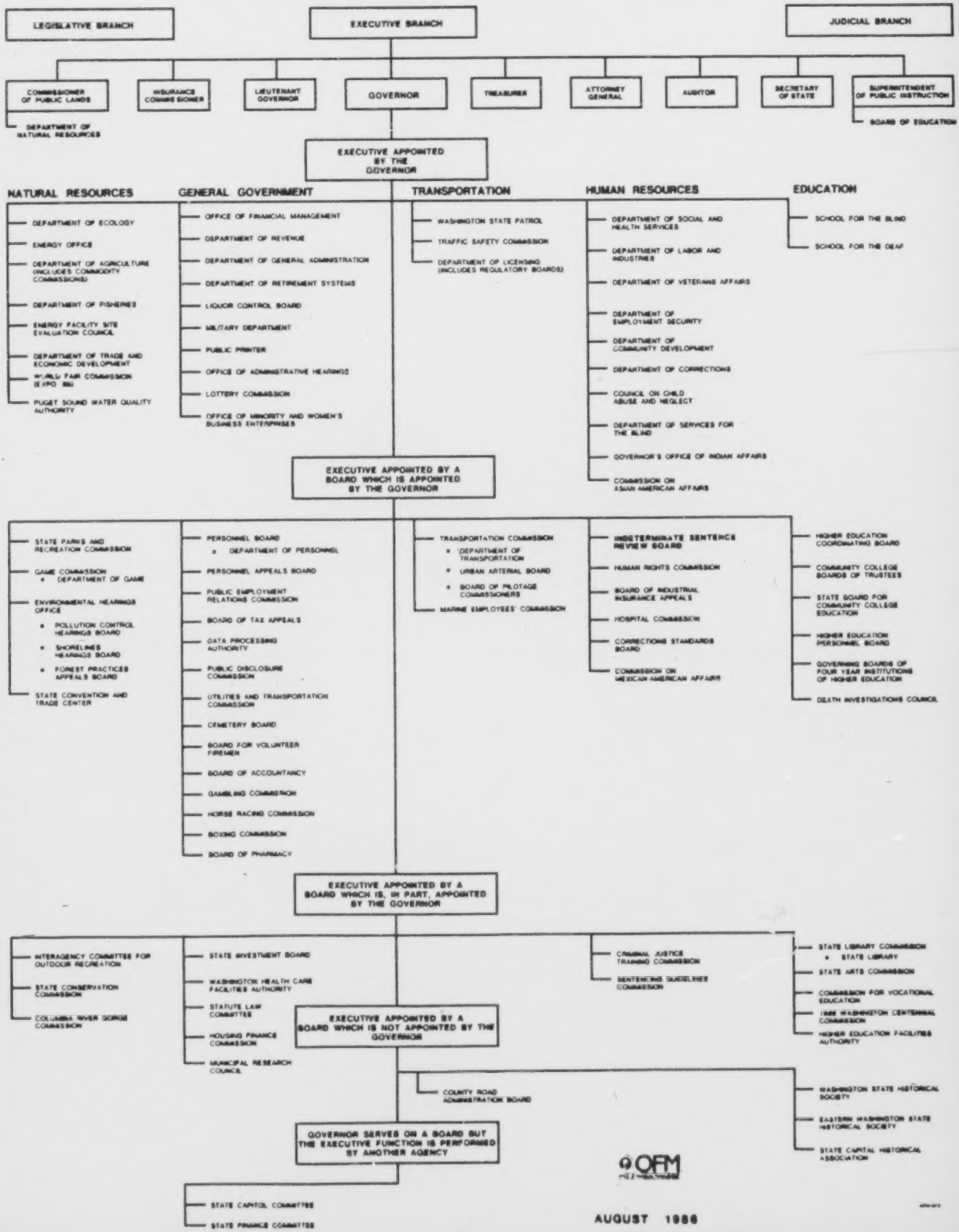
Ken Eikenberry
Attorney General

Dr. Frank B. Brouillet
Superintendent of
Public Instruction

Brian Boyle
Commissioner of
Public Lands

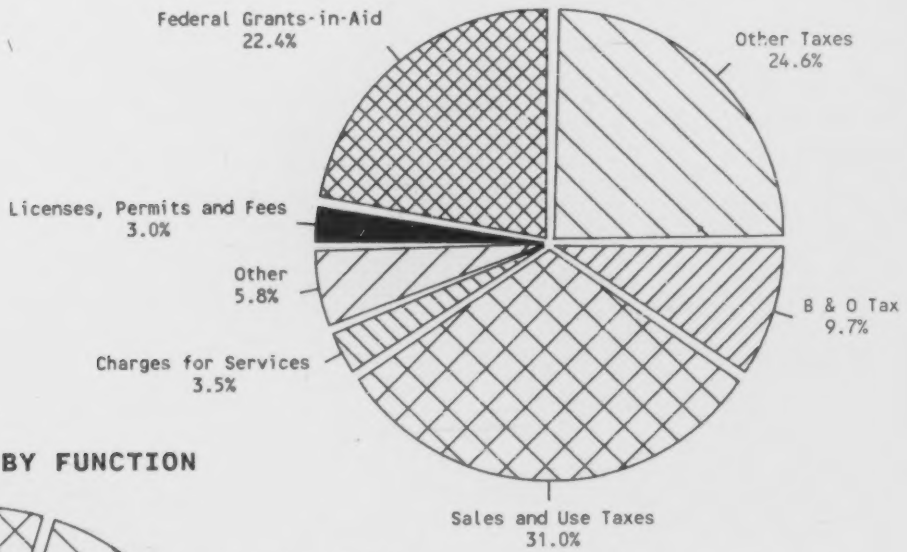
Richard G. "Dick" Marquardt
Insurance Commissioner

ORGANIZATION OF WASHINGTON STATE GOVERNMENT
BASED ON GUBERNATORIAL APPOINTMENT AUTHORITY

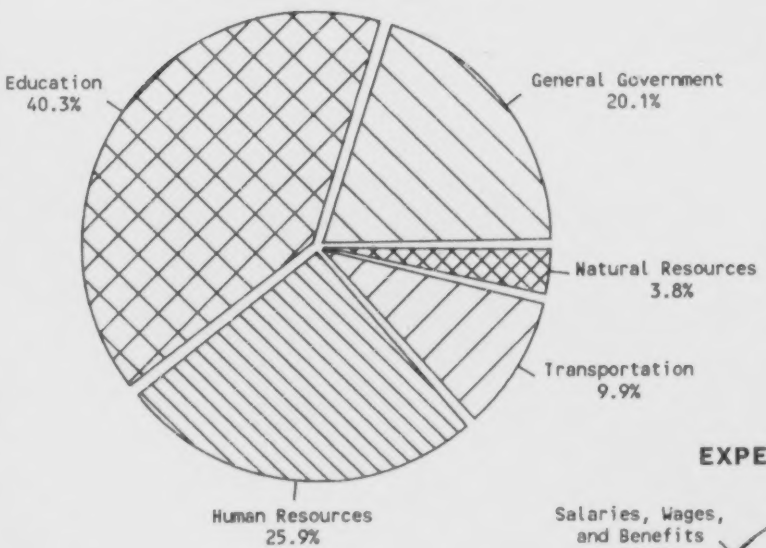


STATE OF WASHINGTON
GRAPHIC PRESENTATION OF REVENUES AND EXPENDITURES
ALL GOVERNMENTAL TYPE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986

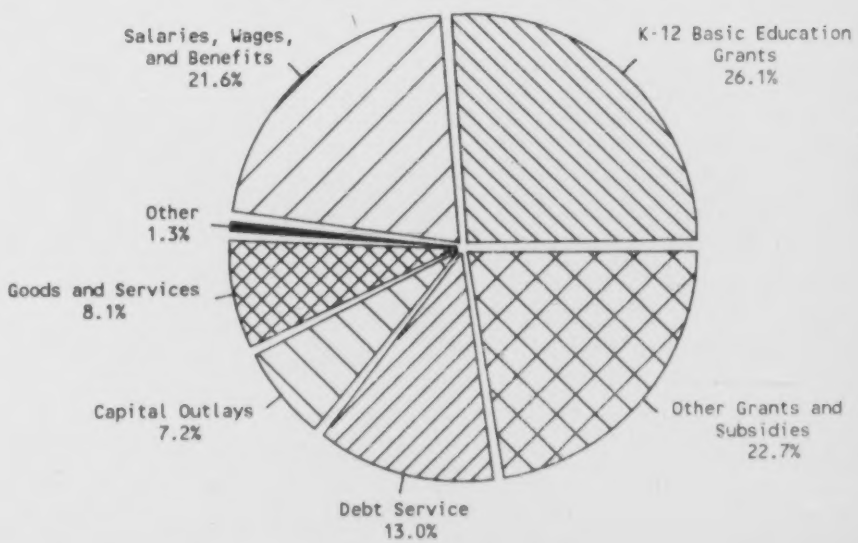
REVENUES BY SOURCE



EXPENDITURES BY FUNCTION

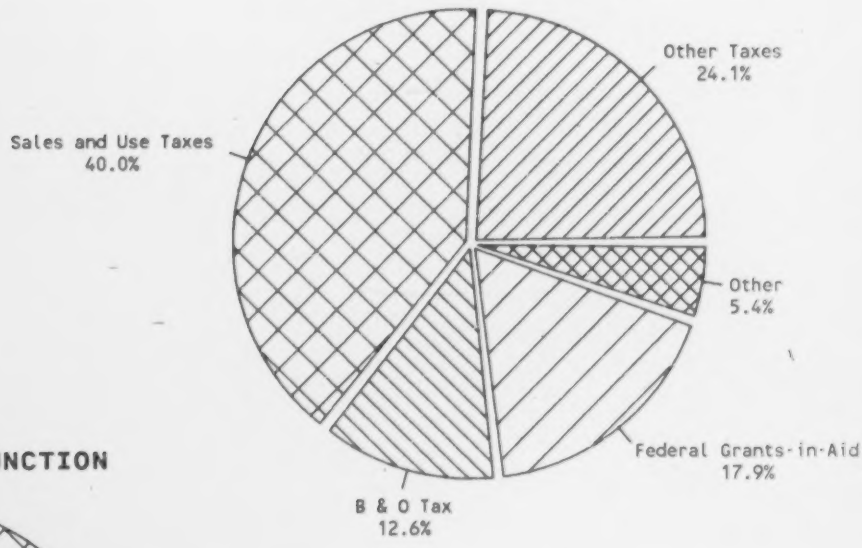


EXPENDITURES BY OBJECT

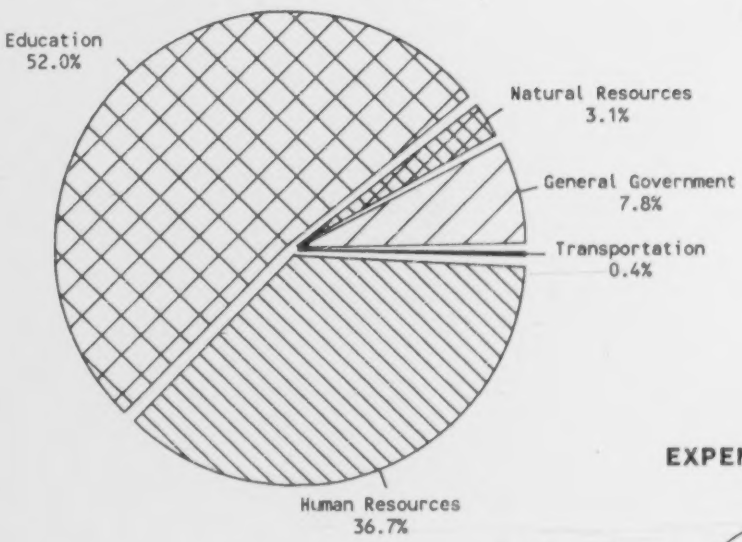


STATE OF WASHINGTON
GRAPHIC PRESENTATION OF REVENUES AND EXPENDITURES
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 1986

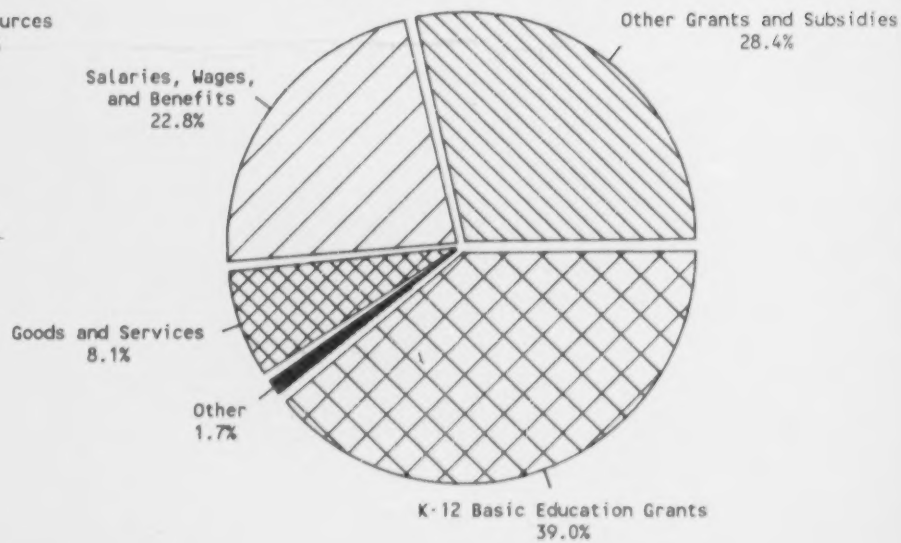
REVENUES BY SOURCE



EXPENDITURES BY FUNCTION



EXPENDITURES BY OBJECT



LEGISLATIVE BUILDING

FINANCIAL SECTION

GENERAL PURPOSE FINANCIAL STATEMENTS

This Page Is Intentionally Left Blank

ROBERT V. GRAHAM
STATE AUDITOR

Jack Heinricher
ASSISTANT STATE AUDITOR

The State of Washington

OFFICE OF STATE AUDITOR
LEGISLATIVE BUILDING AS-21
OLYMPIA, WASHINGTON 98504
(206) 753-5277

December 22, 1986

AUDITOR'S OPINION

The Honorable Booth Gardner
Governor, State of Washington

Dear Governor Gardner:

We have examined the general purpose financial statements of the state of Washington as of June 30, 1986 and for the year then ended. Except as set forth in the following paragraphs, our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and other auditing procedures as we considered necessary in the circumstances.

We did not examine the financial statements of the University Hospital, University of Washington Housing and Food Services or the Department of Transportation Marine Division. Together they represent 10 percent of revenues and 12 percent of assets of enterprise funds. We also did not examine the financial statements of the University of Washington's Metropolitan Tract which reflect 18 percent of revenues of nonexpendable trust funds. Those financial statements were examined by other auditors whose reports have been furnished to us. Our opinion, insofar as it relates to those amounts, is based solely on the reports of other auditors.

Presented on the combined balance sheet in the enterprise funds are $421 million in current and $2 billion in long-term workers' compensation benefits payable. Also, as disclosed in Note 7, $90 million of current workers' compensation benefits payable are presented in the expendable trust funds, and $910 million in long-term

workers' compensation benefits payable are presented as other long-term obligations in the general long-term obligations account group. These amounts were determined by Department of Labor and Industries' actuaries and were not substantiated by an outside actuary or by alternative audit procedures.

The Department of Retirement Systems' actuarial determinations disclosed in Note 5 were developed by the State Actuary. The work of an outside actuary was not obtained, and alternative audit procedures were not applied to substantiate the amounts disclosed in this note to the financial statements.

Due to inadequate receivable systems at the Department of Social and Health Services and Employment Security Department, we could not confirm or verify by other means $135 million of receivables in the combined balance sheet. These receivables relate to amounts in the following accounts: due to other governments, accrued revenue, accrued liabilities and deferred revenue.

Inadequate fixed asset records were noted at the Department of Social and Health Services, the Washington State Patrol and the Department of Natural Resources. As a result, we could not substantiate $87 million of general fixed assets. In addition, the Department of General Administration has not included certain capital project expenditures, which, in our opinion, should be capitalized in the general fixed asset account group. We believe the unrecorded dollar amount could be as much as $44 million. These amounts also relate to the accumulated depreciation balance.

As discussed in Note 8, summary of significant litigation, the state of Washington is a defendant in certain legal proceedings. The outcome of the lawsuits cannot presently be determined, and no provision for any liability that may result has been made in the financial statements.

In our opinion, based upon our examination and the reports of other auditors, except for the effects of such adjustments, if any, as might have been necessary had we been able to perform sufficient auditing procedures as explained in paragraphs 3 through 6, and except for not capitalizing certain capital project expenditures as described in paragraph 6, and subject to the effects on the

financial statements of such adjustments, if any, as might have been required had the outcome of the litigation referred to in paragraph 7 been known, the general purpose financial statements present fairly the financial position of the state of Washington as of June 30, 1986, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles which, except for the accounting changes and fund reclassifications as explained in Note 1I., with which we concur, have been applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining statements, graphic presentation in the introductory section, and schedules are presented for additional analysis and are not a required part of the combined financial statements of the state of Washington. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

We did not audit the statistical data in this report and, accordingly, do not express an opinion thereon.

Very truly yours,

Robert V. Graham

ROBERT V. GRAHAM
STATE AUDITOR

RVG:cr

STATE OF WASHINGTON
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GOVERNMENTAL FUND TYPES			
	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
ASSETS				
Cash and pooled investments	$ 246,285	$ 435,377	$ 58,882	$ 84,475
Investments	1,099	5,890		218
Taxes receivable (net of allowance)	570,021	5,447		
Other receivables (net of allowance)	151,604	74,961	85	905
Due from other funds	52,089	109,211	9,968	2,830
Due from other governments	107,430	82,675		25
Inventories	10,629	19,163		
Prepaid expenses				
Deferred charges and other assets				
Land				
Buildings				
Other improvements and miscellaneous				
Machinery and equipment				
Accumulated depreciation				
Construction in progress				
Amount available in debt service funds				
Amount to be provided for retirement of general long-term obligations				
Total Assets	$ 1,139,157	$ 732,724	$ 68,935	$ 88,453
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Accounts payable	$ 144,079	$ 64,676	$	$ 6,727
Contracts and retainages payable	9,916	52,192	1,536	4,675
Accrued liabilities	45,329	37,729	2,859	141
Matured bonds payable				
Due to other funds	82,226	34,231		22,008
Due to other governments	49,403	16,086		
Deferred revenues	552,311	110,579	28	514
Current workers' comp benefits payable				
Long-term workers' comp benefits payable				
Bonds payable				
Other long-term obligations				
Total Liabilities	883,264	315,493	4,423	34,065
FUND EQUITY:				
Unrealized gain on investments				
Contributed capital				
Investment in general fixed assets				
Retained earnings (deficit):				
Reserved				
Unreserved				
Fund balances (deficit):				
Reserved for:				
Encumbrances	131,429	97,045		17,761
Inventories	10,629	19,163		
Restricted accounts	55,629			
Nonexpendable trust corpus				
Unemployment compensation				
Retirement systems				
Other specific purposes	48,825	8,240		218
Unreserved:				
Designated for debt service			64,512	
Designated for other specific purposes		11,688		36,409
Undesignated	9,381	281,095		
Total Fund Equity	255,893	417,231	64,512	54,388
Total Liabilities and Fund Equity	$ 1,139,157	$ 732,724	$ 68,935	$ 88,453

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	JUNE 30, 1986	JUNE 30, 1985
$ 164,268	$ 42,489	$ 464,080	$	$	$ 1,495,856	$ 1,143,976
2,655,384	1,650	8,859,098	.....	.....	11,523,339	8,432,820
2,348	.....	13,754	.....	.....	591,570	629,567
295,286	17,909	422,430	.....	.....	963,180	753,962
35,789	8,216	64,626	.....	.....	282,729	318,207
2,654	2,082	16,657	.....	.....	211,523	196,033
57,982	20,070	101	.....	.....	107,945	93,561
1,713	135	.....	.....	.....	1,848	1,494
8,718	574	33,130	.....	.....	42,422	6,610
5,834	1,283	.....	319,489	.....	326,606	302,848
370,445	1,675	.....	1,513,036	.....	1,885,156	1,830,812
134,166	2,837	.....	294,879	.....	431,882	363,930
275,831	211,405	.....	538,996	.....	1,026,232	935,210
(214,786)	(104,814)	.....	(872,693)	.....	(1,192,293)	(1,052,877)
110,514	.....	.....	155,480	.....	265,994	203,109
.....	.....	.....	.....	64,512	64,512	55,820
.....	.....	.....	.....	3,661,663	3,661,663	2,429,827
$ 3,906,146	$ 205,511	$ 9,873,876	$ 1,949,187	$ 3,726,175	$ 21,690,164	$ 16,644,909
$ 34,493	$ 15,217	$ 67,982	$	$	$ 333,174	$ 422,132
28,818	8,485	13,436	.....	.....	119,058	11,871
80,470	9,759	55,848	.....	.....	232,135	226,214
6,484	.....	.....	.....	.....	6,484	5,162
65,341	1,034	77,889	.....	.....	282,729	318,207
.....	24	76,649	.....	.....	142,162	91,556
14,963	4,213	48,005	.....	.....	730,613	969,982
421,249	.....	90,078	.....	.....	511,327	403,276
2,039,816	.....	.....	.....	.....	2,039,816	1,848,422
289,873	.....	.....	.....	2,705,018	2,994,891	2,621,078
182,784	18,437	100,404	.....	1,021,157	1,322,782	338,847
3,164,291	57,169	530,291	.....	3,726,175	8,715,171	7,256,747
184,468	.....	1,560,502	.....	.....	1,744,970	.....
327,393	21,169	.....	.....	.....	348,562	338,437
.....	.....	.....	1,949,187	.....	1,949,187	1,986,902
8,671	42	.....	.....	.....	8,713	102,585
221,323	127,131	.....	.....	.....	348,454	(40,492)
.....	.....	162	.....	.....	246,397	59,487
.....	.....	101	.....	.....	29,893	27,151
.....	.....	.....	.....	.....	55,629	12,889
.....	.....	412,193	.....	.....	412,193	370,139
.....	.....	234,207	.....	.....	234,207	114,820
.....	.....	6,973,272	.....	.....	6,973,272	6,017,134
.....	.....	73,693	.....	.....	130,976	155,054
.....	.....	.....	.....	.....	64,512	55,820
.....	.....	155	.....	.....	48,252	37,508
.....	.....	89,300	.....	.....	379,776	150,728
741,855	148,342	9,343,585	1,949,187	.....	12,974,993	9,388,162
$ 3,906,146	$ 205,511	$ 9,873,876	$ 1,949,187	$ 3,726,175	$ 21,690,164	$ 16,644,909

STATE OF WASHINGTON
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	YEAR ENDED JUNE 30, 1986	YEAR ENDED JUNE 30, 1985
REVENUES:							
Taxes	$4,458,513	$ 445,687	$	$	$	$ 4,904,200	$ 4,606,536
Licenses, permits, and fees	40,820	187,766	.....	.....	.....	228,586	221,961
Federal grants-in-aid	1,038,335	645,418	164	120	76,412	1,760,449	1,779,744
Charges for services	157,493	88,771	.....	15,176	4,507	265,947	307,720
Unemployment comp. contributions	.....	.....	.....	.....	506,570	506,570	450,009
Workers' compensation contributions	.....	.....	.....	.....	95,821	95,821	109,261
Miscellaneous revenue	116,927	263,700	32,524	20,901	76,841	510,893	418,716
Total Revenues	5,812,088	1,631,342	32,688	36,197	760,151	8,272,466	7,893,947
EXPENDITURES:							
Current:							
General government	433,945	171,045	.....	.....	26,093	631,083	653,141
Human resources	2,070,169	90,097	.....	1,030	496,686	2,657,982	2,627,391
Natural resources and recreation	166,466	128,126	.....	11,886	390	306,868	262,962
Transportation	22,828	432,670	.....	312	.....	455,810	462,687
Education	2,923,079	342,679	.....	2,280	63,822	3,331,860	3,105,818
Capital outlays	40,631	493,455	.....	77,901	441	612,428	681,635
Debt service:							
Principal	3,788	3,485	79,570	.....	.....	86,843	124,173
Interest	1,014	629	206,899	702	346	209,590	156,161
Refunding payments to escrow agent	.....	.....	812,721	.....	.....	812,721	161,771
Total Expenditures	5,661,920	1,662,186	1,099,190	94,111	587,778	9,105,185	8,235,739
Excess of Revenues Over (Under) Expenditures	150,168	(30,844)	(1,066,502)	(57,914)	172,373	(832,719)	(341,792)
OTHER FINANCING SOURCES (USES):							
Bond sale proceeds	.....	206,861	.....	99,476	.....	306,337	163,940
Bond sale proceeds from refunding	.....	.....	811,141	.....	.....	811,141	161,771
Operating transfers in (out)	(68,276)	(83,734)	264,295	(6,612)	(8,364)	97,309	105,939
Capital lease acquisitions	1,448	150	.....	.....	1	1,599	11,702
Total Other Financing Sources(Uses)	(66,828)	123,277	1,075,436	92,864	(8,363)	1,216,386	443,352
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	83,340	92,433	8,934	34,950	164,010	383,667	101,560
Fund balance as previously reported (deficit)	18,470	241,762	55,820	37,501	259,904	613,457	517,865
Fund balance restatement	151,052	82,650	170	(18,061)	(26,274)	189,537	(4,060)
Fund balance as restated (deficit)	169,522	324,412	55,990	19,440	233,630	802,994	513,805
Equity transfers	420	290	(412)	(2)	(25)	271	131
Changes in reserves	2,611	96	.....	.....	3	2,710	(2,039)
Ending Fund Balance (Deficit)	$ 255,893	$ 417,231	$ 64,512	$ 54,388	$ 397,618	$ 1,189,642	$ 613,457

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON
INTERIM 1985-1987 BIENNIUM COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL ALL GOVERNMENTAL FUND TYPES FOR FISCAL THE YEAR ENDED JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
REVENUES:						
Taxes	$ 9,064,128	$ 4,473,816	$ 4,590,312	$ 899,825	$ 441,681	$ 458,144
Licenses, permits, and fees	90,250	40,455	49,795	387,440	192,217	195,223
Federal grants-in-aid	2,256,003	996,790	1,259,213	1,302,675	606,048	696,627
Charges for services	294,349	152,017	142,332	361,128	85,950	275,178
Miscellaneous revenue	539,854	113,071	426,783	458,372	264,391	193,981
Total Revenues	12,244,584	5,776,149	6,468,435	3,409,440	1,590,287	1,819,153
EXPENDITURES:						
Current:						
General government	864,547	438,770	425,777	349,263	172,030	177,233
Human resources	4,490,731	2,077,673	2,413,058	220,023	91,383	128,640
Natural resources and recreation	375,429	170,634	204,795	551,262	129,714	421,548
Transportation	53,444	23,272	30,172	642,605	278,212	364,393
Education	6,022,231	2,945,178	3,077,053	924,890	368,786	556,104
Capital outlays	20,141	4,600	15,541	1,325,423	624,055	701,368
Debt service	0	0	0	0	0	0
Total Expenditures	11,826,523	5,660,127	6,166,396	4,013,466	1,664,180	2,349,286
Excess of Revenues Over (Under) Expenditures	418,061	116,022	302,039	(604,026)	(73,893)	(530,133)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	0	0	0	756,355	206,861	549,494
Net operating transfers in(out)	(316,958)	(67,369)	(249,589)	(49,684)	(83,833)	34,149
Total Other Financing Sources (Uses)	(316,958)	(67,369)	(249,589)	706,671	123,028	583,643
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ 101,103	$ 48,653	$ 52,450	$ 102,645	$ 49,135	$ 53,510

The notes to the financial statements are an integral part of this statement.

DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS			TOTALS (MEMORANDUM ONLY)		
Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 9,963,953	$ 4,915,497	$ 5,048,456
0	0	0	0	0	0	477,690	232,672	245,018
0	164	(164)	498	120	378	3,559,176	1,603,122	1,956,054
6,061	3,034	3,027	30,169	14,911	15,258	691,707	255,912	435,795
26,036	29,549	(3,513)	23,737	21,357	2,380	1,047,999	428,368	619,631
32,097	32,747	(650)	54,404	36,388	18,016	15,740,525	7,435,571	8,304,954
			0	0	0	1,213,810	610,800	603,010
			0	0	0	4,710,754	2,169,056	2,541,698
			0	0	0	926,691	300,348	626,343
			2,120	666	1,454	698,169	302,150	396,019
			0	0	0	6,947,121	3,313,964	3,633,157
			283,511	94,374	189,137	1,629,075	723,029	906,046
593,224	286,469	306,755	0	0	0	593,224	286,469	306,755
593,224	286,469	306,755	285,631	95,040	190,591	16,718,844	7,705,816	9,013,028
(561,127)	(253,722)	(307,405)	(231,227)	(58,652)	(172,575)	(978,319)	(270,245)	(708,074)
0	0	0	309,303	99,476	209,827	1,065,658	306,337	759,321
577,343	260,565	316,778	25,545	(6,612)	32,157	236,246	102,751	133,495
577,343	260,565	316,778	334,848	92,864	241,984	1,301,904	409,088	892,816
$ 16,216	$ 6,843	$ 9,373	$ 103,621	$ 34,212	$ 69,409	$ $323,585	$ 138,843	$ $184,742

STATE OF WASHINGTON
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

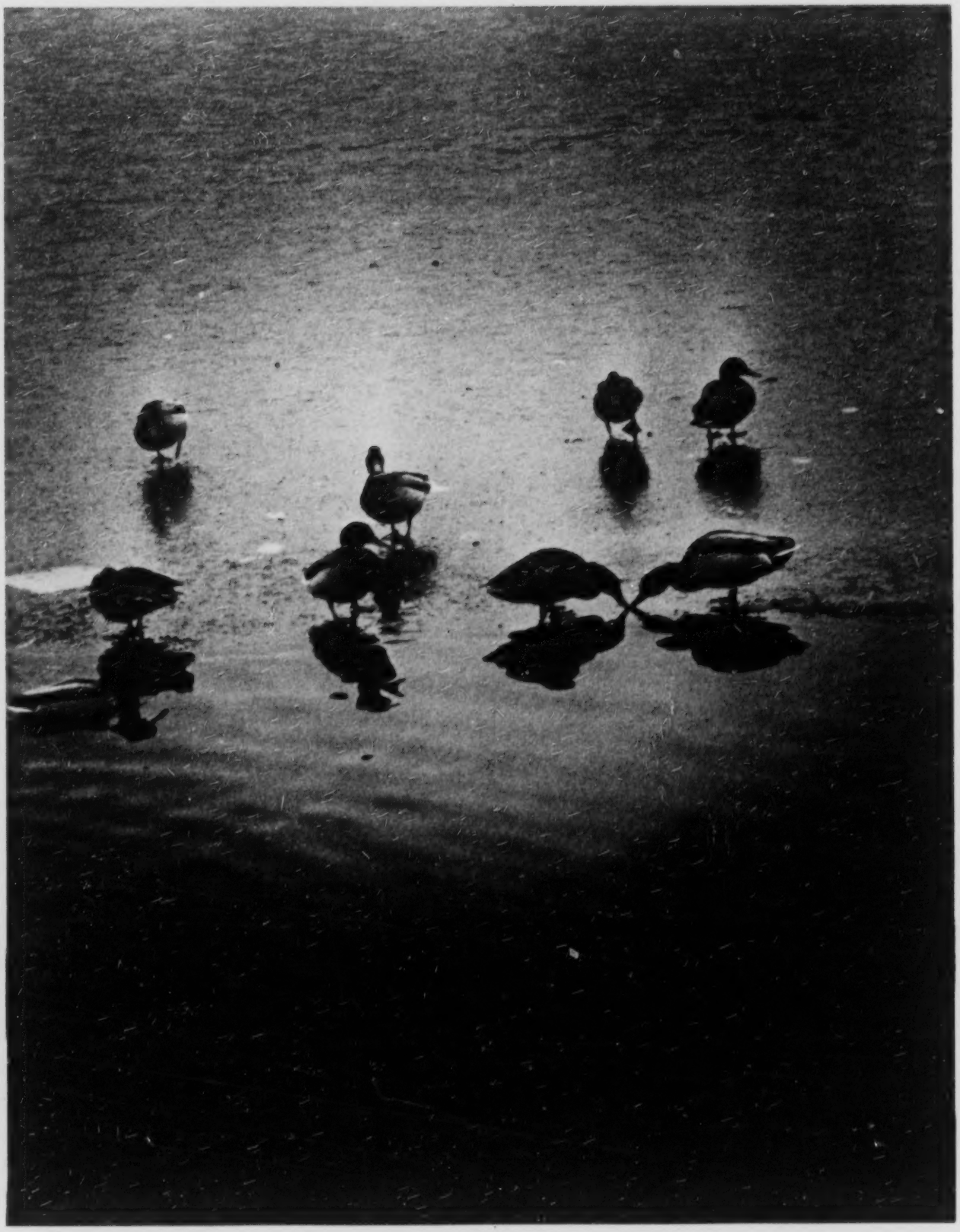
	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	YEAR ENDED JUNE 30, 1986	YEAR ENDED JUNE 30, 1985
OPERATING REVENUES:						
Sales	$ 262,093	$ 101,177	$	$	$ 363,270	$ 352,770
Less: Cost of goods sold	188,863	86,287	.....	.....	275,150	266,412
Gross profit	73,230	14,890	.....	.....	88,120	86,358
Charges for services	242,948	201,287	42	.....	444,277	326,056
Earnings on investments	.....	.....	27,824	690,368	718,192	559,149
Pension contributions	.....	.....	.....	787,795	787,795	702,882
Workers' compensation contributions	588,927	.....	.....	.....	588,927	530,875
Lottery ticket proceeds	181,184	.....	.....	.....	181,184	156,624
Miscellaneous revenue	104,914	8,224	19,224	1,850	134,212	130,597
Total Operating Revenues	1,191,203	224,401	47,090	1,480,013	2,942,707	2,492,541
OPERATING EXPENSES:						
Salaries and wages	191,281	74,418	.....	55	265,754	219,350
Personal services	14,741	2,012	.....	15	16,768	23,904
Goods and services	155,866	84,205	.....	9,030	249,101	195,139
Travel	6,787	1,596	.....	2	8,385	8,668
Employee benefits	44,857	17,685	.....	14	62,556	51,546
Workers' compensation benefits	618,515	.....	.....	.....	618,515	849,177
Lottery prize payments	82,724	.....	.....	.....	82,724	74,022
Depreciation and amortization	25,533	26,387	.....	.....	51,920	36,781
Pension benefit payments	.....	.....	.....	508,081	508,081	460,975
Miscellaneous expenses	19,994	1,100	.....	.....	21,094	25,424
Total Operating Expenses	1,160,298	207,403	.....	517,197	1,884,898	1,944,986
Operating Income	30,905	16,998	47,090	962,816	1,057,809	547,555
NONOPERATING REVENUES (EXPENSES):						
Other revenue (expenses)	2,024	(296)	127	253	2,108	1,626
Interest income	306,599	3,042	.....	.....	309,641	268,242
Interest expense	(25,155)	(2,368)	.....	.....	(27,523)	(20,078)
Liquor profits distributed to local governments	(19,750)	.....	.....	.....	(19,750)	(23,649)
Total Nonoperating Revenues (Expenses)	263,718	378	127	253	264,476	226,141
Income Before Operating Transfers	294,623	17,376	47,217	963,069	1,322,285	773,696
Net operating transfers in (out)	(94,345)	(775)	(1,594)	(595)	(97,309)	(105,939)
Net Income Before Extraordinary Item	200,278	16,601	45,623	962,474	1,224,976	667,757
Extraordinary item: Bond refunding loss	(7,734)	.....	.....	.....	(7,734)	.....
Net Income	192,544	16,601	45,623	962,474	1,217,242	667,757
Beginning fund equity previously reported	269,085	131,445	370,139	6,017,134	6,787,803	6,381,715
Fund equity restatement	126,731	877	(3,571)	591,114	715,151	(276,459)
Beginning fund equity restated	395,816	132,322	366,568	6,608,248	7,502,954	6,105,256
Equity transfers	640	(913)	2	.....	(271)	(132)
Unrealized gain on investments	143,061	.....	.....	963,052	1,106,113	.....
Contributions of capital	9,794	332	.....	.....	10,126	14,922
Ending Fund Equity	$ 741,855	$ 148,342	$ 412,193	$8,533,774	$ 9,836,164	$ 6,787,803

The notes to the financial statements are an integral part of this statement.

STATE OF WASHINGTON
COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	YEAR ENDED JUNE 30, 1986	YEAR ENDED JUNE 30, 1985
SOURCES OF WORKING CAPITAL:						
OPERATIONS:						
Net income (loss)	$ 200,278	$ 16,601	$ 45,623	$ 962,474	$ 1,224,976	$ 667,757
Items not requiring working capital in the current period:						
Depreciation and amortization	25,533	26,387	.....	.....	51,920	36,781
Working Capital Provided by Operations Before Extraordinary Item and Changes	225,811	42,988	45,623	962,474	1,276,896	704,538
Extraordinary loss	(7,734)	.....	.....	.....	(7,734)	.....
Change in accounting principle	41,407	.....	.....	597,450	638,857	.....
Fund reclassifications	66,921	.....	.....	.....	66,921	.....
Prior period adjustments	18,403	877	(3,571)	(6,336)	9,373	7,009
Working Capital Provided by Operations, Extraordinary Item, and Changes	344,808	43,865	42,052	1,553,588	1,984,313	711,547
OTHER SOURCES:						
Decrease in investments, noncurrent	3,839	.....	.....	435	4,274	435
Decrease in fixed assets	3,017	7,910	.....	.....	10,927	7,536
Increase in long-term obligations	128,651	8,959	6,616	.....	144,226	424,157
Increase in long-term workers' comp	191,394	.....	.....	.....	191,394	.....
Unrealized gain on investments	143,061	.....	.....	963,052	1,106,113	.....
Transfers of fund equity	644	.....	2	.....	646	2,799
Contributions of capital	9,794	332	.....	.....	10,126	14,922
Total Sources of Working Capital	825,208	61,066	48,670	2,517,075	3,452,019	1,161,396
USES OF WORKING CAPITAL:						
Increase in investments, noncurrent	567,480	.....	37,348	2,480,316	3,085,144	1,059,471
Increase in fixed assets	212,015	48,982	.....	.....	260,997	88,119
Increase in other assets	2,276	.....	7,656	.....	9,932	4,629
Decrease in long-term obligations	36,067	6,734	4,635	.....	47,436	25,397
Decrease in long-term workers' comp	385	.....	.....	.....	385	.....
Transfers of fund equity	4	913	.....	.....	917	2,931
Total Uses of Working Capital	818,227	56,629	49,639	2,480,316	3,404,811	1,180,547
Net Increase (Decrease) in Working Capital	$ 6,981	$ 4,437	$ (969)	$ 36,759	$ 47,208	$ (19,151)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash and investments	$ (7,857)	$ 5,109	$ 5,408	$ 5,977	$ 8,637	$ (55,510)
Receivables (net of allowance)	86,289	323	6,235	27,706	120,553	98,678
Due from other funds	11,969	(1,534)	(1,773)	26	8,688	1,064
Due from other governments	207	303	.....	.....	510	2,285
Inventories	7,951	3,691	.....	.....	11,642	1,603
Prepaid expenses	357	(3)	.....	.....	354	489
Deferred charges and other assets	.....	574	.....	.....	574	.....
Accounts payable	(493)	1,852	.....	3,372	4,731	(8,503)
Contracts and retainages payable	(28,083)	(4,012)	(793)	.....	(32,888)	1,065
Accrued liabilities	(12,428)	(1,543)	(3,867)	(3)	(17,841)	(25,797)
Matured bonds and interest payable	(1,367)	45	.....	.....	(1,322)	217
Due to other funds	(24,337)	1,147	(171)	(318)	(23,679)	14,847
Due to other governments	.....	342	.....	.....	342	(366)
Deferred revenue	(440)	(1,857)	(6,008)	(1)	(8,306)	7,639
Current workers' compensation benefits payable	(24,787)	.....	.....	.....	(24,787)	(56,862)
Net Increase (Decrease) in Working Capital	$ 6,981	$ 4,437	$ (969)	$ 36,759	$ 47,208	$ (19,151)

The notes to the financial statements are an intregral part of this statement.



STATE OF WASHINGTON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

The accompanying financial statements include financial transactions of all agencies, commissions, and boards for which the State exercises oversight responsibility as defined in the Codification of Governmental Accounting and Financial Reporting Standards, section 2100. Oversight responsibility is defined using the following criteria: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; and accountability for fiscal matters. Based upon this criteria, certain entities or financial transactions are excluded from the accompanying financial statements as follows:

1. Agricultural Commodity Commissions - Commodity Commissions are independent from the State's management and finances. Reports regarding financial transactions of the Agricultural Commodity Commissions may be obtained from each Commission.

2. Associated Debt - Certain State agencies market bonds or other debt which are neither secured nor repaid by the State. This debt is not a State obligation. The agencies are:

   a. The Washington Health Care Facilities Authority and the Washington Higher Education Facilities Authority. Additional information can be obtained from the Authorities, at 504 East 14th, Suite 130, Olympia, Washington 98504; and

   b. The Washington State Housing Finance Commission. Additional information is available at 216 First Avenue South, Suite 366, Seattle, Washington 98104.

3. Joint Operating Agencies - Each joint operating agency is a municipal corporation and not a State agency. For example the Washington Public Power Supply System is a joint operating agency and is not part of the State entity; nor is its debt a State obligation. Reports regarding financial transactions of joint operating agencies may be obtained from each such agency.

B. BASIS OF PRESENTATION

The accompanying financial statements of the State of Washington have been prepared in conformity with generally accepted accounting principles (GAAP). The primary authority for Washington State's accounting and reporting requirements is the Office of Financial Management (OFM). OFM has adopted the pronouncements of the Governmental Accounting Standards Board (GASB). OFM also has adopted the pronouncements of the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA), when applicable.

The "Totals (Memorandum Only)" columns in the accompanying financial statements represent a summation of the combined financial statement line items of the fund types and account groups. Amounts shown in these columns are not comparable to a consolidation and do not represent the total resources available or the total revenues and expenditures/expenses of the State because of the following factors: fund types and account groups use different bases of accounting; interfund transactions have not been eliminated; the "amount to be provided for retirement of general long-term obligations" is not an asset in the usual sense; and restricted and unrestricted amounts have been combined.

C. Fund Accounting Structure

The State's fund structure uses approximately 385 accounts. For the purpose of developing financial statements, these accounts have been administratively combined into 47 funds, each of which is considered a separate accounting entity. The accompanying financial statements are structured into three categories of fund types and two account groups, as described below:

GOVERNMENTAL FUND TYPES

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds account for financial resources to be utilized for the acquisition, construction, or improvement of major capital facilities (other than those financed by proprietary funds and similar trust funds).

PROPRIETARY FUND TYPES

Enterprise Funds account for operations: (1) that are financed and operated in a manner similar to private enterprise - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis.

FIDUCIARY FUND TYPES

Expendable Trust Funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the fund's designated operations.

Nonexpendable Trust Funds account for assets held by the State in a trustee capacity where only income derived from the principal may be expended in the course of the fund's designated operations. The principal must be preserved intact.

Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various State public employee retirement systems.

Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units, other organizations, or individuals.

GENERAL FIXED ASSETS ACCOUNT GROUP

Fixed assets used in governmental funds and expendable trust fund operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the individual funds. Public domain (infrastructure) assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, and similar assets) are not reported in the account group.

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

Long-term liabilities expected to be financed from governmental funds and expendable trust funds are accounted for in the general long-term obligations account group.

COLLEGE AND UNIVERSITY REPORTING

Financial operations of the State's colleges and universities are reported using the fund structure prescribed by GASB; not according to the fund structure of the National Association of College and University Business Officers.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental fund types, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to finance operations during the current year or to liquidate liabilities existing at the end of the year. Major revenues that are determined to be susceptible to accrual include taxes, federal grants-in-aid, and charges for services.

Revenues from property taxes are determined to be available if collectible within 60 days. All other accrued revenue sources are determined to be available if collectible within 12 months. Sales, business and occupation, excise, and motor fuel taxes, unemployment compensation contributions, and other self-assessed revenues are considered measurable when the return is received. Revenues from licenses, permits, and fees are recognized when received in cash.

Property taxes are levied in December for the upcoming calendar year. The first half year collections are due April 30 and the second half year collections are due October 31. Since the State is on a fiscal year ending June 30, the first half year collections are recognized as revenue, if collectible within 60 days of fiscal year end. The second half year collections are recognized as receivables offset by deferred revenue.

Under modified accrual accounting, expenditures are recognized when the related fund liability is incurred. Exceptions to the general modified accrual recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

All proprietary fund types, nonexpendable trust, and pension trust funds are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recognized in the period they are incurred.

E. Budgets and Budgetary Accounting

Washington employs a biennial budget which utilizes the following procedures to establish the budgetary data presented in the accompanying financial statement:

1. General Budgetary Policies and Procedures

No later than December 20 of the year preceding the odd-year session of the Legislature, the Governor is required to submit a budget to the State Legislature. The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget is legally required to be adopted through passage of appropriation bills by the Legislature and approval by the Governor. Operating appropriations are made at the fund and agency level. Capital appropriations are generally made at the fund/agency/project level. The legal level of budgetary control is at the fund and agency level, with administrative controls established at lower levels of detail in certain instances.

Appropriated funds are controlled by the executive branch through the allotment process. This process allocates the appropriation into monthly allotments by program, source of funds, and object of expenditure. Allotment requests are submitted by agencies to the Office of Financial Management (OFM). After the allotments are approved, agencies have the legal authority to spend. The Governor, through OFM, is authorized to legally restrict expenditures by placing appropriations in unallotted status, but any additions to a legislative appropriation must be adopted through passage of, or amendments to, appropriation bills. Revenues for the biennium are estimated on a monthly basis by source of revenue.

Nonappropriated governmental funds are also subject to allotment control by the executive branch. Nonappropriated governmental funds consist mainly of local college and university funds.

Budgeted amounts reported on the accompanying financial statements include all approved allotments for the 1985-1987 Biennium for governmental funds. The following is a reconciliation from the legislative appropriations to the approved allotments for governmental funds by fund type (expressed in thousands):

	Governmental Fund Types				
1985-1987 Biennium:	General	Special Revenue	Debt Service	Capital Projects	Total
Legislative Appropriations.....	$11,967,413	$3,098,493	$ 676,601	$ 326,942	$16,069,449
Unallotted Appropriations.....	(140,890)	(69,788)	(83,377)	(80,667)	(374,722)
Allotted Appropriations.....	11,826,523	3,028,705	593,224	246,275	15,694,727
Allotments, Nonappropriated Funds.	.....	984,761		39,356	1,024,117
Approved Allotted Budget	$11,826,523	$4,013,466	$ 593,224	$ 285,631	$16,718,844

2. Budgetary Basis vs. GAAP

Principles currently used by the State for compiling budgetary data differ significantly from those used to present financial statements in conformity with GAAP. The budgetary basis is essentially a modified cash basis and GAAP for governmental funds requires using the modified accrual basis.

The following is a reconciliation between amounts shown on the accompanying "Interim 1985-1987 Biennium Combined Statement of Revenues, Expenditures and Other Financing Sources (Uses) Budget (Non-GAAP Budgetary Basis) and Actual" and the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balance" (GAAP Basis) (expressed in thousands):

RECONCILIATION OF BUDGETARY BASIS VS. GAAP

	Governmental Fund Types				
1985-1987 Biennium:	General	Special Revenue	Debt Service	Capital Projects	Total
Excess of Revenues and Other Sources Over Expenditures and Other Uses Budgetary Basis	$ 48,653	$ 49,135	$ 6,843	$ 34,212	$ 138,843
Charge-back Revenue at June 30, 1986	(12,983)	.....	.....	.....	(12,983)
Charge-back Revenue at June 30, 1985	11,718	.....	.....	.....	11,718
Refunding Bond Proceeds	.....	.....	811,141	.....	811,141
Refunding Payments to Escrow Agent	.....	.....	(812,721)	.....	(812,721)
Other Revenue Recognition Differences	36,297	41,151	3,671	(187)	80,932
Other Expenditure Recognition Differences	(345)	2,147	.....	925	2,727
Excess of Revenues and Other Sources Over Expenditures and Other Uses GAAP Basis	$ 83,340	$ 92,433	$ 8,934	$ 34,950	$ 219,657

The above reconciling items are further explained as follows:

a. Charge-back Revenue

Sales tax and other merchant assessed taxes are reported on the GAAP financial statements when the return is received. However on the budgetary basis, taxes that relate to sales collected prior to June 30 are recognized in the concluding period, if collected within the first ten days in July. This amounted to $12.98 million at June 30, 1986, which was recognized in the budgetary basis statements but not in the GAAP basis statements. The $11.7 million at June 30, 1985, which was recognized in Fiscal Year 1985 on the budgetary basis, is recognized as revenue on the accompanying GAAP financial statements in Fiscal Year 1986.

b. Refunding Proceeds and Payments

The current budgetary basis does not recognize refunding bond proceeds or the corresponding payments to the escrow agent. However, they are recognized on the accompanying GAAP financial statements.

c. Other Revenue and Expenditure Recognition Differences

Other differences between GAAP and budgetary bases result from the differing recognition criteria; i.e., the budgetary basis criteria of accruing revenues and expenditures received/paid within 30 days of the end of the period differs from the GAAP basis which accrues expenditures when incurred and revenues when they are both measurable and available.

During the 1984 Session of the Legislature, legislation requiring the State to submit a budget for the 1987-1989 Biennium in conformance with GAAP was passed. The implementation of this legislation during the next budget period is expected to eliminate the significant differences between the State's budgetary and accounting bases.

F. INVENTORIES

1. For governmental fund types and expendable trust funds consumable supplies are reported on the balance sheet where the amounts are material. Purchases are recorded as expenditures at the time of acquisition. At year end, consumable supplies on hand are reported at cost offset by fund balance reserved for inventories.

2. For proprietary type funds and similar fiduciary funds, consumable supplies are expensed when used. Merchandise inventories are valued at the lower of cost or market and costs are charged against revenue as "cost of goods sold" when the merchandise is sold.

G. COMPENSATED ABSENCES

1. Annual Leave

Cost associated with annual leave is recognized in conformity with the measurement principles of the fund that is affected. Governmental and expendable trust funds recognize the expenditure for annual leave when it is paid. Proprietary fund types and similar fiduciary fund types recognize the expense and accrued liability when the leave is earned.

State employees accrue vested annual leave at a variable rate based on years of service. In general, accrued annual leave cannot exceed 30 days at the employee's anniversary date. A long-term liability of $75.6 million for the accumulated leave in governmental and expendable trust funds has been reported in the general long-term obligation account group at June 30, 1986.

2. Sick Leave

Employees accrue sick leave at the rate of one day per month without limit. Sick leave is not vested; i.e., the State does not pay employees for unused sick leave upon termination except for employee death or retirement. At death or retirement, the State is liable for up to 25 percent of the employees's accumulated sick leave. Therefore, accumulated sick leave balances represent possible future payments dependent upon employee options, not probable payments. As a result, in all funds, sick leave expenditures/expenses are recorded when payments are made.

In addition, each January, employees whose sick leave accumulation exceeds 60 days may, at the employee's option, redeem their leave earned but not taken during the previous year at a rate of one day's pay in exchange for each four days leave.

H. Due From and To Other Funds

The following balances at June 30, 1986, represent due from/to balances among all funds (expressed in thousands):

Fund Type/Fund	Due From		Due To	
General:				
Basic Account	$ 17,790		$ 49,431	
Restricted Accounts	34,299		32,795	
	52,089		82,226	
Special Revenue:				
Motor Vehicle Fund	67,039		17,586	
Highway Safety Fund	434		2	
State Game Fund	304		.....	
Common School Fund	2,653		.....	
General Government Fund	13,807		211	
Human Resources Fund	773		593	
Natural Resources Fund	7,008		621	
Higher Education Fund	17,193		15,218	
	109,211		34,231	
Debt Service:				
Transportation Fund	1,822		.....	
Other Funds	8,146		.....	
	9,968		0	
Capital Projects:				
General Government Fund	.....		534	
Human Resources Fund	52		57	
Natural Resources Fund	.....		4	
Education Fund	2,778		21,413	
	2,830		22,008	
Enterprise:				
Liquor Fund	774		.....	
Workers' Compensation Fund	2,849		13,671	
Convention and Trade Fund	4,884		.....	
Lottery Fund	58		2,468	
Institutional Fund	78		23	
Natural Resources Fund	1,325		92	
Transportation Fund	1,256		45,743	
Higher Education Fund	24,480		3,338	
Other Activities Fund	85		6	
	35,789		65,341	
Internal Service:				
Central Services Fund	741		227	
Central Stores Fund	153		98	
Equipment Revolving Fund	4,756		209	
Data Processing Revolving Fund	719		303	
Motor Transport Fund	14		6	
Higher Education Revolving Fund	1,832		165	
Miscellaneous Services Fund	1		26	
	8,216		1,034	
Trust and Agency:				
Expendable Trust:				
Human Resources Fund	$ 15,687		$ 1,083	
Higher Education Fund	1,012		900	
Miscellaneous Fund	245		639	
	16,944		2,622	
Nonexpendable Trust:				
Higher Education Fund	7		171	
Pension Trust:				
Public Employees' Fund	716		1,432	
Teachers Fund	527		518	
Law Enforcement Officers and Firefighters Fund	207		162	
State Patrol Fund	19		.....	
Judicial Fund	37		.....	
Volunteer Firemen Fund	17		.....	
	1,523		2,112	
Agency:				
Payroll Fund	3		95	
Suspense Fund	497		9,282	
Miscellaneous Fund	45,652		63,607	
	46,152	64,626	72,984	77,889
Total Due From and To Other Funds		$ 282,729		$ 282,729

I. Fund Equity Restatement

Fund Equity at June 30, 1985, has been restated as follows (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Memo Only
Fund Equity at June 30, 1985 as Previously Reported....	$ 18,470	$ 241,762	$ 55,820	$ 37,501	$ 269,085	$ 131,445	$6,647,177	$7,401,260
Accounting Changes:								
Revenue recognition...	112,133	54,018	170	1,016	.....	.....	16,976	184,313
Asset valuation.....	.....	.....	.....	.....	41,407	.....	597,450	638,857
Fund reclassifications.	(97)	(8,257)	.....	(20,199)	66,921	.....	(48,504)	(10,136)
Prior year adjustments.	39,016	36,889	.....	1,122	18,403	877	(4,653)	91,654
Fund Equity June 30, 1985 as Restated....	$ 169,522	$ 324,412	$ 55,990	$ 19,440	$ 395,816	$ 132,322	$7,208,446	$8,305,948

The restatements are explained as follows:

1. Changes in Accounting Principles

   a. Revenue Recognition - governmental and expendable trust funds recognize revenue when it is both measurable and available. Previously, the State of Washington defined available to be "received within 30 days." Effective for Fiscal Year 1986, the State changed its definition of available to be "expected to be received within 12 months." This change in accounting principle more closely matches the State's recognition of revenue with its recognition of expenditures.

   In addition, effective for Fiscal Year 1986, the State changed its method of accounting for property taxes to conform with NCGA Interpretation 3 which provides for the accrual of property tax collectible within 60 days after the end of the reporting period. Property tax revenue was previously recognized if collected within 30 days after the end of the period.

   b. Asset Valuation

   Enterprise and pension trust funds contain investments for the workers' compensation program and State pension plans. Previously, the State of Washington valued investments in these funds using the amortized cost method. Effective for Fiscal Year 1986, these investments are now reported at market to more fairly reflect the value of investments on the financial statements. The changes in accounting principle are described below:

   (1) The State changed its method of accounting for the Workers' Compensation (insurance) Fund to conform with FASB 60 "Accounting and Reporting by Insurance Enterprises." FASB 60 requires investments, which are not intended to be held until maturity, to be reported at market.

   (2) The State also changed its method of accounting for Pension Trust Funds to conform with FASB 35, "Accounting and Reporting by Defined Pension Plans." FASB 35 requires investments to be reported at market.

2. Fund Reclassifications - The accounting and reporting treatment applied to an account is determined by its measurement focus. Accounts have been reclassified to reflect their proper measurement focus as follows (expressed in thousands):

Account Title	Reclassified From	Amount	Reclassified To	Amount
Marine Fuel Tax Refund Account.....	General	$ (97)	Agency	$ 97
Lottery Investment Account..	Special Revenue	(380)	Agency	380
Dept. of Natural Resources Local Trust Account.....	Special Revenue	3	Agency	(3)
Self-Insurance Revolving Account.....	Special Revenue	(10,049)	Expendable Trust	10,049
Deferred Compensation Revolving Account.....	Expendable Trust	(58,553)	Agency	58,553
University of Washington Hospital.....	Special Revenue	2,169	Enterprise	(2,169)
	Capital Project	(20,199)	Enterprise	20,199
	General Fixed Assets	(53,311)	Enterprise	53,311
	General Long-Term Obligations	4,420	Enterprise	(4,420)

3. Prior Period Adjustments - Fund Equity previously reported has been restated because of adjustments to prior periods as follows:

a. General fund Fiscal Year 1985 revenues and expenditures were both understated.

b. Special revenue fund revenues and expenditures were misstated in Fiscal Year 1985.

c. Capital project fund revenues and expenditures were misstated in Fiscal Year 1985.

d. Enterprise fund revenues and expenses amounting to $14.3 million were misstated in Fiscal Year 1985; and, fixed assets, net of accumulated depreciation, amounting to $4.1 million were not previously reported in the financial statements.

e. Internal service fund revenues and expenses amounting to ($2.3) million were misstated in Fiscal Year 1985; and fixed assets, net of accumulated depreciation, amounting to $3.2 million were previously not reported in the financial statements.

f. Trust and agency fund expenditures and revenues were misstated in Fiscal Year 1985.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

The Department of Natural Resources capital projects fund had a fund balance deficit at June 30, 1986, of $241 thousand. This was caused when expenditures were budgeted and incurred for salmon enhancement projects in anticipation of bond issues. Subsequent to year end, on August 1, 1986, bonds were issued to fund these activities as explained in Note 9 - Summary of Subsequent Events.

B. Overexpenditure of Appropriations

Because of the interim nature of the statement, no overexpenditures of appropriations appear on the accompanying "Interim 1985-1987 Biennium Combined Statement of Revenues, Expenditures, and Other Financing Sources (Uses) Budget (Non-GAAP Budgetary Basis) and Actual."

NOTE 3 - DETAILED NOTES ON ACCOUNT BALANCES

A. CASH AND INVESTMENTS

The Office of State Treasurer (OST) administers cash for all treasury funds and for other funds required by statute to maintain cash with the OST. Nontreasury funds carry cash balances with either the OST (treasury trust funds) or a qualified public depository. Statute requires financial institutions to maintain collateral amounting to 10 percent of State deposits in order to qualify as a public depository for State funds.

The State had $13,019.2 million in cash and investments as of June 30, 1986. Of this, cash on hand amounted to $12.4 million and cash with fiscal and escrow agents amounted to $265.7 million. The remaining $12,741.1 million represented deposits in amount of $376.3 million and investments in amount of $12,364.8 million as detailed below (expressed in thousands):

1. Deposits

At year end, the State had deposits, including certificates of deposit, with qualified public depositories as follows (expressed in thousands):

	Carrying Amount	Bank Balance
Insured (FDIC and FSLIC)	$ 20,386	$ 20,386
Uninsured, collateral held by the PDPC	355,890	357,041
Total	$ 376,276	$ 377,427

The State's deposits in financial institutions at year end were entirely covered by federal depository insurance (FDIC and FSLIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

2. Investments

The State Investment Board (SIB) and the OST actively manage approximately 95 percent of the State's investing activity. Management responsibilities and investment instruments as authorized by statute are as follows:

a. State Investment Board

Statute designates SIB as having investment management responsibility for pension funds, the workers' compensation fund, permanent funds (established at statehood) and other specific funds. SIB is authorized to invest as provided by statute (RCW 43.33A). Statute and SIB policy have approved investments in the following instruments: Treasury Bills; discount notes; repurchase agreements; reverse repurchase agreements; bankers' acceptances; commercial paper; U.S. Government securities; Agencies of the U.S. Government; Canadian government bonds; corporate bonds; nonrated private placements; common and preferred stock; investment partnerships for venture capital; leveraged buy-outs; mortgages; real estate; financial futures; and other situations.

b. Office of State Treasurer (OST)

OST maintains a cash pool, the Cash Management Account, for investing cash in excess of daily requirements. Statute authorizes OST to purchase and sell the following investment instruments in the Cash Management Account: U.S. Treasury and Agency (government sponsored corporations eligible for collateral purposes by the Federal Reserve) securities; bankers' acceptances; and certificates of deposit with qualified public depositories. Securities underlying repurchase and reverse repurchase agreements are limited to those stated above.

The State's investments are categorized below to give an indication of the level of risk assumed in investing activity at year end. Category 1 includes investments that are insured, registered, or securities held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the State's name. Investments at June 30, 1986, by investment type, are listed below (expressed in thousands):

Investment Type	Category 1	Category 2	Total Carrying Account	Total Market Value
Short-Term Money Market	$ 716,922	$	$ 716,922	$ 717,517
Mutual Funds	11,253		11,253	11,253
U.S. Government Securities	1,818,771	278,400	2,097,171	2,123,406
Mortgages	1,162,106		1,162,106	1,163,692
Repurchase Agreements	34,310		34,310	34,310
Bankers' Acceptances	631,568		631,568	640,903
Zero Coupon Bonds	16,732		16,732	17,446
Corporate Bonds	892,125	68,600	960,725	977,537
Corporate Stocks	4,128,856	16,500	4,145,356	4,157,833
Venture Capital	134,258		134,258	134,258
Leveraged Buy-outs	434,326		434,326	434,326
Real Estate	297,026		297,026	297,026
Canadian Government Bonds	64,045		64,045	64,045
Miscellaneous	1,659,032		1,659,032	1,658,440
Total Investments	$12,001,330	$ 363,500	$12,364,830	$12,431,992

SIB has authority to enter into security lending agreements, the arrangement of which is similar to reverse repurchase agreements. Under the existing agreement, the investments in Category 2 above ($363.5 million) were loaned to securities brokers as of June 30, 1986. The securities were loaned and collateralized by the State's agent at 102 percent by U.S. government securities and cash. The cash was then invested, by the State's agent, in repurchase agreements and commercial paper. The securities held as collateral, and the securities underlying the cash collateral, are held by the State's agent and are not reflected in the June 30, 1986 investment balances shown above. The securities were loaned with the agreement that they will be returned in the future in exchange for the collateral. Under the existing security lending agreement, up to $1.5 billion of the State's investments may be loaned. Other reverse repurchase investment activity during Fiscal Year 1986 was insignificant.

Repurchase agreements are collateralized at 102 percent in Government or Agency securities of less than 10 years maturity. The collateral is priced daily and is held by the State's agent in the State's name. As of June 30, 1986, the State had $34 million invested in repurchase agreements. During Fiscal Year 1986, the largest amount of repurchase agreements outstanding on any one day was $377 million.

B. Taxes Receivable

Taxes Receivable at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Taxes Receivable
Taxes Receivable	$ 597,897	$ 7,612	$	$	$ 2,348	$	$ 20,299	$ 628,156
Less: Allowance for Uncollectibles	(27,876)	(2,165)					(6,545)	(36,586)
Total Taxes Receivable	$ 570,021	$ 5,447	$		$ 2,348	$	$ 13,754	$ 591,570

Note: The major portion of taxes receivable consists of property taxes receivable of $324.4 million and excise taxes receivable of $151.5 million in the general fund.

C. Other Receivables

Other Receivables at June 30, 1986 consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Other Receivables by Account
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	
Accounts Receivable..	$ 6,615	$ 23,101	$ 77	$ 781	$ 279,210	$ 2,384	$ 187,347	$ 499,515
Accounts Receivable - Other Agencies.....	11,517	5,840	.....	109	520	14,163	63,734	95,883
Interest Receivable..	2,990	2,858	.....	.....	51,546	75	79,050	136,519
Loans Receivable.....	.....	.....	.....	.....	4	.....	70,695	70,699
Other Receivable.....	399,877	45,362	8	40	1,943	1,297	39,000	487,527
Sub-total.....	$ 420,999	$ 77,161	$ 85	$ 930	$ 333,223	$ 17,919	$ 439,826	$1,290,143
Less: Allowance for Uncollectibles.....	(269,395)	(2,200)	.....	(25)	(37,937)	(10)	(17,396)	(326,963)
Total Other Receivables	$ 151,604	$ 74,961	$ 85	$ 905	$ 295,286	$ 17,909	$ 422,430	$ 963,180

Notes:

1. Accounts Receivable - Other Agencies: This balance represents amounts owed from State agencies for goods and services furnished by other State agencies.

2. Loans Receivable: Student loans at institutions of higher education account for 95 percent of the balance shown in trust and agency funds.

3. Other Receivables: The Department of Social and Health Services accounts for 97 percent of the balance shown in the general fund.

D. Due From Other Governments

Due From Other Governments at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total Due From Other Governments By Account
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	
Federal Government....	$ 84,486	$ 78,148	$	$ 22	$ 2,580	$ 43	$ 1,506	$ 166,785
Local Governments.....	22,944	4,527	.....	3	74	2,039	15,151	44,738
Total Due From Other Governments.....	$ 107,430	$ 82,675	$	$ 25	$ 2,654	$ 2,082	$ 16,657	$ 211,523

E. Deferred Charges and Other Assets

Deferred charges and other assets amounted to $42.4 million at June 30, 1986. This primarily consisted of $39.3 million in long-term receivables, net of allowance. Fifty-eight percent of these receivables is the net amount due from delinquent parent support.

F. Fixed Assets

1. Methods of Accounting for Fixed Assets

a. Fixed assets are valued at historic cost or estimated cost if actual historic cost is not available. Donated fixed assets are valued at their estimated fair market value on the date of donation. Where necessary, estimates of original cost and fair market value are derived by factoring price levels from the current period to the time of acquisition. Costs include the purchase price or construction cost, and those costs necessary to place the asset in its intended location and condition for use. Interest costs on self-constructed assets are excluded from cost.

b. Fixed assets valued at $300 or more per unit are capitalized and reported in these statements.

c. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets) are not reported.

e. Fixed assets of governmental funds and expendable trust funds are accounted for in the general fixed assets account group. Accumulated depreciation, which is recorded in the general fixed assets account group, is computed using the straight-line method with standardized useful lives ranging from five to fifty years.

f. Fixed assets used in proprietary and similar trust funds are accounted for in the fund in which they are utilized. Depreciation of fixed assets used by proprietary funds is charged as an operating expense and accumulated depreciation is reported on the balance sheet. Depreciation is computed using the straight-line method with estimated useful lives ranging from five to fifty years.

2. A summary of the changes in general fixed assets for the fiscal year ended June 30, 1986 is as follows (expressed in thousands):

Schedule of Changes in General Fixed Assets For the Fiscal Year Ended June 30, 1986

	Balance June 30,1985	Adjustments	Adjusted Balance June 30,1985	Additions	Deletions	Balance June 30,1986
Land	$ 300,023	$ 2,987	$ 303,010	$ 82,026	$ 65,547	$ 319,489
Buildings	1,055,921	(69,064)	986,857	66,693	49,879	1,003,671
Furnishings and Equipment	212,108	(12,378)	199,730	8,641	1,549	206,822
Other Improvements/Miscellaneous	229,966	18,710	248,676	15,428	379	263,725
Construction in Progress	188,884	(44,722)	144,162	18,964	7,646	155,480
Total	$ 1,986,902	$ (104,467)	$1,882,435	$ 191,752	$ 125,000	$1,949,187

Source of Funds by Fund Type:

	Total
General	$ 767,130
Special Revenue	293,558
Capital Projects	886,240
Expendable Trust	2,259
Total	$1,949,187

Notes:

1. Amounts displayed are net of allowance for depreciation where appropriate.

2. Of the total adjustments to fixed assets amounting to $(104.5) million, $(99.8) million was due to corrections in colleges' and universities' asset balances during the year.

G. Construction In Progress

Various State agencies were involved in construction projects at June 30, 1986. A summary of major projects follows (expressed in millions):

ENTERPRISE FUNDS

1.	U. of W. Hospital - Expansion and Remodeling	$ 50.7
2.	U. of W. Parking Garage Improvements	5.8
3.	State Convention Center - New Construction	49.4
4.	Other Small Projects	4.6
	Total Enterprise Funds	$ 110.5

GENERAL FIXED ASSETS ACCOUNT GROUP

1.	McNeil Island Correction Center - Renovation	$ 7.1
2.	Washington Correction Center - Expansion and Remodeling	12.9
3.	Washington State Penitentiary - Renovation	23.8
4.	Clallam Bay Correction Center - New Construction	47.1
5.	W.S.U. Engineering Bldg. - New Construction	12.6
6.	Other Small Projects	52.0
	Total General Fixed Assets Account Group	$ 155.5
	Total Construction in Progress	$ 266.0

H. Accounts Payable

Accounts Payable at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total Accounts Payable by Account
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	
Accounts Payable	$ 131,545	$ 57,625	$	$ 6,480	$ 26,565	$ 13,782	$ 9,629	$ 245,626
Accounts Payable - Other Agencies	12,534	7,051		247	7,928	1,435	58,353	87,548
Total Accounts Payable	$ 144,079	$ 64,676	$	$ 6,727	$ 34,493	$ 15,217	$ 67,982	$ 333,174

Note: Accounts Payable - Other Agencies: This represents the amount owed to other State agencies for goods and services received, but for which disbursements have not been made.

I. Contracts and Retainages Payable

Contracts and Retainages Payable at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total Contracts & Retainages Payable by Account
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	
Deposits Payable	$ 8,251	$ 23,896	$ 1,536	$ 960	$ 24,748	$ 23	$ 13,417	$ 72,831
Retainages Payable	164	25,294	.....	2,690	2,274	.....	19	30,441
Installment Contracts Payable	.....	.....	.....	.....	528	4,557	.....	5,085
Lease Agreements Payable	136	.....	.....	.....	427	3,856	.....	4,419
Contracts Payable	1,365	1,535	.....	.....	841	49	.....	3,790
Construction Contracts Payable	.....	1,467	.....	1,025	.....	.....	.....	2,492
Total Contracts and Retainages Payable by Fund Type	$ 9,916	$ 52,192	$ 1,536	$ 4,675	$ 28,818	$ 8,485	$ 13,436	$ 119,058

Notes:

1. Deposits Payable: This balance represents the amount of private funds deposited with the State. Logging rights to State owned timber and workers' compensation payments account for 64 percent and 31 percent, respectively.

2. Retainages Payable: This balance represents the amount of major construction contract payments withheld by the State pending final inspection or the lapse of a specific time period. State highway construction, local government sewage treatment facilities, and educational institutions construction account for 45 percent, 25 percent, and 25 percent, respectively.

J. Accrued Liabilities

Accrued Liabilities at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total Accrued Liabilities By Account
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	
Salaries Payable	$ 44,167	$ 26,367	$.....	$ 108	$ 10,616	$ 4,066	$ 24,711	$ 110,035
Annual Leave Payable	.....	.....	.....	.....	11,108	5,479	.....	16,587
Interest Payable	.....	.....	2,859	.....	6,452	95	.....	9,406
Annuities Payable	.....	.....	.....	.....	2,386	.....	.....	2,386
Prizes Payable	.....	.....	.....	.....	4,942	.....	.....	4,942
Other Short-Term Liabilities	1,162	11,362	.....	33	44,966	119	31,137	88,779
Total Accrued Liabilities	$ 45,329	$ 37,729	$ 2,859	$ 141	$ 80,470	$ 9,759	$ 55,848	$ 232,135

Notes:

1. Salaries Payable: The balance represents employees' salaries earned from June 16 through June 30, 1986, and not paid until July 10, 1986.

2. Annuities Payable: This balance represents the amount owed for grand prize lottery annuities.

3. Prizes Payable: This balance represents the minimum 45 percent payout requirement of the State lottery.

K. Due to Other Governments

Due To Other Governments at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total Due To Other Governments
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	By Account
Federal Government..	$ 48,506	$ 4,818	$	$	$	$ 1	$ 19,362	$ 72,687
Local Governments....	897	11,268	.....	.....	.....	23	57,287	69,475
Total Due To Other Governments...	$ 49,403	$ 16,086	$	$	$	$ 24	$ 76,649	$ 142,162

L. Deferred Revenues

Deferred Revenues at June 30, 1986, consisted of the following (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total Deferred Revenues
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	By Source
Property Taxes.....	$ 306,078	$.....	$.....	$.....	$.....	$.....	$.....	$ 306,078
Excise Taxes.....	136,527	.....	.....	.....	.....	.....	.....	136,527
Federal Grants-in-Aid.	28,108	64,506	.....	.....	.....	.....	.....	92,614
Unemployment Comp.....	.....	.....	.....	.....	.....	.....	34,988	34,988
Charges for Services..	.....	15,187	.....	.....	14,963	4,213	.....	34,363
Miscellaneous.....	81,598	30,886	28	514	.....	.....	13,017	126,043
Total Deferred Revenues.....	$ 552,311	$ 110,579	$ 28	$ 514	$ 14,963	$ 4,213	$ 48,005	$ 730,613

M. Workers' Compensation Benefits Payable (See Note 7, Page 54)

1. Current benefits payable represents the current liability of the Department of Labor and Industries (L&I) to pay benefits to qualifying individuals sustaining work related injuries.

2. Long-term benefits payable represents the actuarially determined present value at June 30, 1986, to pay future benefits to qualifying individuals sustaining work related injuries. The actuarial valuation was based on past experience and established during an analysis conducted by L&I actuaries during the year. Liabilities have been discounted at an assumed interest rate of 5 percent for the Accident and Medical Aid Plans and 6-1/2 percent for the Pension Reserve Plan.

N. Lease Commitments

The State leases land, office facilities, office and computer equipment, and other assets. Although lease terms vary, most leases are subject to appropriation from the State Legislature to continue the obligation. If continued legislative appropriations are reasonably assured, leases are considered noncancelable for financial reporting purposes. Leases which represent acquisitions are classified as capital leases, and assets and liabilities are recorded in the financial records at the inception of the lease. Other leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease.

Total lease expense for budgeted funds for Fiscal Year 1986 was $76.1 million. Lease commitments for noncancelable operating and capital leases as of June 30, 1986, were as follows (expressed in thousands):

		Capital Leases			
Lease Commitments During Fiscal Year:	Operating Leases	Enterprise Funds	Internal Service Funds	Long-Term Obligations Account Group	Total All Leases
1987	$ 39,247	$ 358	$ 3,925	$ 2,746	$ 46,276
1988	35,779	249	5,030	2,342	43,400
1989	31,798	197	5,001	1,922	38,918
1990	28,213	68	4,007	1,305	33,593
1991	25,318	1	119	737	26,175
Thereafter	21,049	.....	.....	779	21,828
Total Future Minimum Lease Payments.....	$ 181,404	873	18,082	9,831	$ 210,190
Amounts Representing Executory and Interest Cost.....		(161)	(2,879)	(1,573)	
Present Value Of Future Minimum Lease Payments.....		$ 712	$ 15,203	$ 8,258	

0. Bonds Payable

Bonds Payable at June 30, 1986, consisted of bonds issued by the State of Washington and certain State agency bonds issued in proprietary funds. A detailed schedule of bonds payable for the general long-term obligations account group and those proprietary bonds accounted for by the State Treasurer are included in the Washington State Treasurer 1986 Annual Report.

1. Debt Service Requirements

Total debt service requirements for general long-term obligation bonds to maturity as of June 30, 1986, are as follows (expressed in thousands):

General Long-Term Obligation Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1987	$ 105,387	$ 191,045	$ 296,432
1988	99,974	194,308	294,282
1989	105,262	186,638	291,900
1990	110,861	179,003	289,864
1991	118,054	171,025	289,079
1992 - 1996	640,231	724,332	1,364,563
1997 - 2001	705,835	481,205	1,187,040
2002 - 2006	496,524	218,429	714,953
2007 - 2011	322,890	56,541	379,431
Total Debt Service Requirements	$2,705,018	$2,402,526	$5,107,544
By Type of Issue:			
School Building Construction	$ 88,060	$ 92,223	$ 180,283
Institutional and Public Buildings	541,460	354,885	896,345
Highways	680,660	584,058	1,264,718
Administrative Buildings	75,005	65,443	140,448
General	1,319,833	1,305,917	2,625,750
Total Debt Service Requirements	$2,705,018	$2,402,526	$5,107,544

Total debt service requirements for proprietary fund bonds to maturity at June 30, 1986, are as follows (expressed in thousands):

Enterprise Bonds:

	Principal	Interest	Total
By Fiscal Year:			
1987	$ 7,226	$ 18,990	$ 26,216
1988	7,560	19,998	27,558
1989	9,540	19,517	29,057
1990	10,144	18,904	29,048
1991	10,714	18,244	28,958
1992 - 1996	63,312	79,744	143,056
1997 - 2001	78,885	57,124	136,009
2002 - 2006	71,457	29,426	100,883
2007 - 2011	36,146	4,797	40,943
2012 - 2020	1,373	189	1,562
Total Debt Service Requirements	$ 296,357	$ 266,933	$ 563,290
By Type of Issue:			
Institutional and Public Buildings	$ 271,727	$ 259,299	$ 531,026
Highways	24,310	7,563	31,873
General	320	71	391
Total Debt Service Requirements	$ 296,357	$ 266,933	$ 563,290

2. Legal Debt Limitation

As certified by the State Treasurer, the maximum debt authorization subject to limitation for Fiscal Year 1986 was $2,281.3 million, under the then current constitutional and statutory limitation. This computation excludes specific bond issues and types which are not secured by general State revenues. Of the $2,705 million general long-term obligation bonds outstanding, $965.5 million general obligation bonds are excluded from the legal debt limitation calculation. Therefore, the remaining $1,739.5 million general obligation bonds outstanding subject to the limitation do not exceed the authorized debt limitation.

3. Refunded and Defeased Long-Term Debt

State refunded and defeased bond debt totaled $766.5 million for general governmental bonded debt and $164.1 million for proprietary bonded debt (as shown on pages 132 and 133). These refunded and defeased bonds are secured by U.S. Government securities in escrow with the respective banks appointed as bond trustees. Therefore these bonds are excluded from State debt totals.

P. Changes in Long-Term Obligations

1. Schedule of Changes in General Long-Term Obligations

Changes in general long-term obligations for the fiscal year ended June 30, 1986, are summarized as follows (expressed in thousands):

Schedule of Changes
General Long-Term Obligation Account Group
For the Fiscal Year Ended June 30, 1986

	Bonds Payable	Installments & Leases Payable	Other Long-term Payables	Total General Long-Term Obligations
Balance at July 1, 1985	$2,398,050	$ 21,908	$ 65,689	$2,485,647
Adjustments	(57,155)	(3,609)	911,168	850,404
Balance as Restated	$2,340,895	$ 18,299	$ 976,857	$3,336,051
Increase in Bonds Payable	1,138,075	.....	.....	1,138,075
Increase in Other Obligations	.....	5,279	116,826	122,105
Retirement of Principal	773,952	3,595	92,509	870,055
Balance at June 30, 1986	$2,705,018	$ 19,983	$ 1,001,174	$3,726,175

2. Refunding Bond Issues

The State has refunded bond issues to reduce the total debt service requirements. The following is a summary of the three bond issues and the effect on the State's current and future debt service requirements:

	General Obligation/ Motor Fuel Tax Bonds	General Obligation Bonds	General Obligation/ Motor Fuel Tax Bonds
Refunding Bond Issue Date	07/23/85	10/02/85	05/22/86
Original Issue(s)			
Bond Issue Date(s)	09/01/81	05/01/82	8/01/83, 10/01/83 4/01/84, 10/01/84
Bond Interest Rate(s)	11.97%	11.9987%	10.26 & 10.724%
Remaining Principal (millions)	$121.10	$109.90	$504.40
Refunding Issue			
New Bond Interest Rate(s)	8.46%	9.07%	8.16 & 8.23%
New Principal Amount (millions)	$138.71	$132.03	$607.20
Gain on Refunding (millions)	$15.80	$12.60	$61.60
Present Value of Gain (millions)	$9.70	$6.30	$31.80

a. Refunded Bonds are Economically Defeased

The bond proceeds from each refunding bond issue were used to purchase U.S. Government securities which were placed or deposited in irrevocable trusts with escrow agents to provide for all future debt service payments on the refunded bonds. As a result, each original bond issue is considered economically defeased and the liability for those bonds has been removed from the general long-term obligation account group.

b. Proprietary Fund Bonds Included in Refunding Bond Issues

The October 2, 1985, and the May 22, 1986, refunding bond issues contained principal amounts of $7.8 million and $40.2 million, respectively, accounted for in proprietary funds. In those principal portions, the proprietary funds recognized a net loss on refunding of $7.7 million for the fiscal year ended June 30, 1986. At the same time, the proprietary funds incurred reduced debt service payments amounting to $5.9 million over the life of refunding bond issues with a present value savings of $2.4 million.

c. Additional Information on the May 22, 1986 Refunding Bond Issue

Due to the structure of the May 22, 1986 refunding issue which deferred the major portion of principal payments, aggregate debt service increased by $44.8 million on this transaction. However, approximately 90 percent of the refunding principal amount matures after the year 2000, constituting a "back-loaded" refunding. In March 1986 and subsequent to the close of Fiscal Year 1986, in July 1986, new money issues were sold with serial maturities prior to the year 2000 to level debt service. When the financing program is reviewed in entirety, net aggregate debt service payments were reduced by $61.6 million. Present value savings of $26 million were realized from the refunding, and net present value savings on the entire program were $31.8 million over the life of the refunded bonds.

3. Bonds Payable

The Bonds Payable beginning balance adjustment occurred due to reclassification of two general obligation bonds from the general long-term obligations account group to the enterprise funds servicing the debt. The two reclassified bonds were: Higher Education Construction G.O., Series AQ-B, 1981; and University of Washington Hospital G.O., Series M, 1975 with principal balances of $50.6 million and $6.5 million, respectively.

4. Other Long-Term Obligations

a. Workers' Compensation Supplemental Pension Benefit Program

The Other Long-Term Obligations beginning balance adjustment occurred because of the recognition of long-term benefits payable in the Human Resource expendable trust fund. The legislature established this benefit program and trust fund (RCW 51.44.033) to be funded on a current basis. The present value of current claims has been estimated at $1 billion as of June 30, 1986. Based upon the continuity of the current program, the long-term portion of this contingent liability, amounting to $910 million, is now recognized in the general long-term obligations account group. Legal counsel has advised that legislative termination of this program would eliminate this liability.

b. Annual Leave Liability

Included in the Other Long-Term Payables is a $19.1 million beginning balance adjustment to recognize annual leave previously not recorded. In addition, the annual leave liability increased $5.6 million over leave earned but not taken during the fiscal year ended June 30, 1986.

Q. Fund Equity - Other Specific Reserves

Certain fund equity reserves presented on the accompanying balance sheet at June 30, 1986 as Reserved for Other Specific Purposes in governmental funds and Reserved Retained Earnings in proprietary funds are further detailed as follows (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Totals by Account
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	
Reserved For:								
Petty Cash	$ 317	$ 1,055	$	$	$	$	$ 30	$ 1,402
Long-Term Investments	1,099	5,891	.....	218	.....	.....	6,983	14,191
Long-Term Loans Rec'b	47,409	1,294	.....	.....	.....	.....	66,680	115,383
Debt Service	.....	.....	.....	.....	8,524	.....	.....	8,524
Other	.....	.....	.....	.....	147	42	.....	189
Total	$ 48,825	$ 8,240	$	$ 218	$ 8,671	$ 42	$ 73,693	$ 139,689

NOTE 4 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The State of Washington operates enterprise funds which are intended to be self-supporting through user fees charged to the public. Certain funds are further broken down into individual accounts for administrative purposes. Enterprise fund activities operated by the State include the following:

	PRIMARY SOURCE OF REVENUE OR PURPOSE
1. Liquor Fund.....	Sales of liquor, and licenses and permits to sell Liquor.
2. Workers' Compensation Fund...	Employer contributions for workers' compensation for employment related accidents and disabilities.
3. Convention and Trade Fund....	To attract national and regional conventions to Washington State. The Convention and Trade Center is scheduled to open in the Spring of 1988.
4. Lottery Fund.....	Washington State Lottery revenues and operations.
5. Transportation Fund.....	Tolls and fares related to various bridge and ferry operations.
6. Higher Education Fund.....	Sales and fees related to the University of Washington Hospital, housing, food service, bookstore, and other enterprises managed by State colleges and universities.
7. Other Enterprise Funds.....	Services and fees charged by various departments including: Department of Social and Health Services; Department of Corrections; Parks and Recreation Commission; and Department of Natural Resources.

The table below reflects significant enterprise fund activities for Fiscal Year 1986. Interfund transactions have not been eliminated for purposes of this analysis:

ENTERPRISE SEGMENT INFORMATION (EXPRESSED IN THOUSANDS)

Selected Information:	Liquor Fund	Workers' Compensation Fund	Convention and Trade Fund	Lottery Fund	Transportation Fund	Higher Education Fund	All Other Funds	Total Enterprise Funds
Operating Revenues.....$	90,991	$ 595,107	$ 7,001	$ 181,237	$ 74,315	$ 224,265	$ 18,287	$1,191,203
Depreciation and Amortization.....	849	895	127	476	8,307	14,499	380	25,533
Operating Income (loss).	48,336	(103,748)	4,900	72,560	(8,116)	13,520	3,453	30,905
Operating Interfund Transfers (Net).....	(25,101)	3,761	.....	(72,092)	(442)	(451)	(20)	(94,345)
Net Income (loss).....	4,266	190,289	2,749	590	(8,779)	(843)	4,272	192,544
Current Capital Contribution.....	.....	.....	.....	.....	9,794	.....	.....	9,794
Net Working Capital.....	20,533	(231,708)	50,687	(62)	(37,823)	81,559	25,036	(91,778)
Total Assets.....	52,404	2,890,388	117,425	31,045	316,933	463,949	34,002	3,906,146
Bonds and Other Long-Term Liabilities Payable from Operating Revenues.....	.....	2,193,345	93,984	14,988	22,984	187,043	129	2,512,473
Total Equity.....	23,458	196,022	13,137	2,283	239,108	238,756	29,091	741,855

NOTE 5 - RETIREMENT SYSTEMS

A. General Description of Plans

Washington State's retirement systems are comprised of the following defined benefit pension plans:

1. **Public Employees' Retirement System (PERS)**

The Legislature established PERS in 1947. Membership in the system includes: elected officials; State employees; employees of the Supreme, Appeals, and Superior Courts; employees of legislative committees; college and university employees not in national higher education retirement programs; judges of district and municipal courts; noncertificated employees of school districts; and employees of local government.

The PERS system contains two plans. Participants who joined the system by September 30, 1977, are Plan I members; those joining thereafter are enrolled in Plan II. Retirement benefits are financed from employee and employer contributions (both calculated as a percentage of employee compensation) and investment earnings. Membership in both Plan I and Plan II is vested after completion of five years of eligible service.

Actual contribution rates for Fiscal Year 1986 were as follows:

	Plan I	Plan II
Employer Contributions:		
State Agencies	9.06%	8.22%
Local Governmental Units	8.60%	7.76%
State Gov. Elected Officials	13.36%	8.22%
Employee Contributions:		
State Agencies	6.00%	4.83%
Local Governmental Units	6.00%	4.83%
State Gov. Elected Officials	7.50%	4.83%

2. **Teachers' Retirement System (TRS)**

TRS was legislatively established in 1938. System membership requires service as a teacher in the State's public schools. Retirement benefits are financed by: legislative appropriation; employee contributions; and earnings on investments.

The TRS system contains two plans. Participants who joined the system by September 30, 1977, are Plan I members and those who joined thereafter are enrolled in Plan II. Membership in both plans is vested after completion of five years of eligible service.

Actual employee contribution rates for Fiscal Year 1986 were as follows:

	Plan I	Plan II
Employee contributions	6.00%	6.45%

3. **Law Enforcement Officers and Firefighters Retirement System (LEOFF)**

The Legislature established the LEOFF system in 1970. Membership includes all full-time, fully compensated local law enforcement officers and firefighters. Retirement benefits are financed by: employee and employer contributions calculated as a percentage of employee compensation; investment earnings; and legislative appropriation.

The LEOFF System contains two plans. Participants who joined the system by September 30, 1977, are Plan I members and those who joined thereafter are enrolled in Plan II. Membership is vested after completion of five years of eligible service.

Actual contribution rates for Fiscal Year 1986 were as follows:

	Plan I	Plan II
Employer Contributions.....	6.00%	4.70%
Employee Contributions.....	6.00%	7.83%

4. **State Patrol Retirement System**

The Washington State Patrol Retirement System was established by the Legislature in 1947. Any commissioned employee of the State Patrol is eligible to participate. Retirement benefits are financed through employee and employer contributions calculated as a percentage of compensation and investment earnings. Membership in the system is vested after completion of five years of eligible service.

Actual contribution rates for Fiscal Year 1986 were as follows:

Employer Contributions.....	22.57%
Employee Contributions.....	7.00%

5. **Judicial Retirement System**

The Judicial Retirement System was established by the legislature in 1971. Retirement benefits are financed by equal employer and employee contributions totaling 15 percent of paid compensation, and by investment earnings. Membership includes judges elected or appointed to the Supreme Court, Court of Appeals, or Superior Court on or after August 9, 1971.

Any member who involuntarily terminates with 12 or more years of credited service and 15 years after beginning judicial service, or voluntarily terminates with 15 or more years of credited service, is vested and shall receive retirement benefits upon attaining age 60.

6. **Volunteer Firemen Retirement System**

The Volunteer Firemen Retirement System was created by the Legislature in 1945. Membership in the system requires service with a fire department of an electing municipality of Washington, except those covered under LEOFF. The system is funded through: member contributions of $20 per year; employer contributions of $10 per member per year; and 40 percent of the Fire Insurance Premium Tax.

Employee contributions to the pension plans described above, except the State Patrol, Judicial, and Volunteer Firemen Retirement Systems accrue interest at a rate specified by the Department of Retirement Systems (DRS). During Fiscal Year 1986, the DRS established interest rate on employee contributions was 5.5 percent. Both Judicial and Volunteer Firemen Retirement Systems employee contributions earn no interest. State Patrol Retirement System employee contributions earn 2.5 percent interest, as set by statute. Employees can elect to withdraw total employee contributions and interest earnings thereon upon termination in all systems except for the Judicial Retirement System.

B. Selected Actuarial Data

The following selected data, compiled in accordance with Financial Accounting Standards Board Statement 35, was prepared by the State Actuary using the latest available data (expressed in millions):

	PERS	TRS	LEOFF	STATE PATROL	JUDICIAL	VOLUNTEER FIREMEN
Number of Participants:						
Active Members	117,121	45,717	9,600	728	140	9036
Inactive Members	4,574	3,136	198	64	.....	481
Retired Members	41,699	20,236	4,294	267	68	885
Total Participants	163,394	69,089	14,092	1,059	208	10,402
Latest Actuarial Date	12/31/85	6/30/85	12/31/85	6/30/85	12/31/85	7/1/82
Actuarial Present Value of Accumulated Benefits:						
Participants Currently Receiving Payments	$ 1,821	$ 1,306	$ 1,308	$ 48	$ 19	$ 10
Vested and Nonvested	1,988	1,771	885	56	21	19
Total Actuarial Present Value of Accumulated Benefits	3,809	3,077	2,193	104	40	29
Less: Actuarial Value of Net Assets Available for Benefits as of Actuarial Date	3,117	1,946	1,234	104	1	22
Unfunded Actuarial Present Value of Accumulated Plan Benefits	$ 692	$ 1,131	$ 959	$	$ 39	$ 7
Funding Ratio	82%	63%	56%	99%	3%	75%
Unfunded Actuarial Liability (UAL)	$ 2,355	$ 2,150	$ 1,032	$ 29	$ 47	$ 7
UAL Amortized by (year)	2,025	2,014	2,010	(a)	(a)	(b)
Funding Method:	.....	.....	.....	Entry Age	Pay-as-you-go	Entry Age
Plan I	Entry Age	Entry Age	Entry Age	.....	.....	.....
Plan II	Aggregate	Aggregate	Aggregate	.....	.....	.....

(a) UAL amortized on a 40 year rolling average.
(b) UAL amortized on a 35 year rolling average.

C. Changes in Actuarial Assumptions from Previous Disclosure

1. Valuation of Assets

The method of valuing assets for actuarial valuation purposes changed since the previous valuation date. Fixed income assets were previously valued at amortized cost and equity assets were valued at average market value for the 12 months preceding valuation date. Both are now valued at average market value for the 18 months preceding valuation date. This change resulted in the following decreases in the actuarial valuation of net assets available for benefit: PERS $255 million; TRS $140 million; LEOFF $43 million; and State Patrol $10 million.

2. Demographic and Economic Assumptions

Both demographic and economic assumptions used to compute the actuarial present value of accumulated benefits also changed. The change in economic assumptions had the greatest effect. Following are the changes in actuarial assumptions:

	Previous Assumptions	Current Assumptions
Investment Return	6.50%	7.00%
General Salary Increase	5.00%	5.25%
Inflation	5.00%	4.00%

Listed below are changes to the present value of fully projected benefits due to changes in actuarial assumptions (expressed in millions):

	Active	Retired
PERS	$ (288)	$ 21
TRS	(560)	48
LEOFF	(917)	(627)
State Patrol	(45)	(5)

D. Selected Asset Valuation Data

Retirement system assets are accounted for in pension trust funds with assets recorded at market. Closing market prices at June 30, 1986, and as of latest actuarial valuation date, were used for determination of market value. The State Investment Board has investment management responsibility for the pension trust funds. These funds represent 67.8 percent of the carrying amount of total State investments at June 30, 1986. See Note 3-A, Cash and Investments.

The following table describes the change in the market value of net assets available for benefits from the latest actuarial valuation date to June 30, 1986 (expressed in millions):

	PERS	TRS	LEOFF	STATE PATROL	JUDICIAL	VOL. FIREMEN
Latest Actuarial Date	12/31/85	6/30/85	12/31/85	6/30/85	12/31/85	7/1/82
Market Value of Net Assets as of Latest Actuarial Date	$ 3,431.9	$ 2,105.0	$ 1,361.5	$ 109.7	$ 1.2	$ 21.4
Change in Market Value of Net Assets:						
Net Appreciation (Depreciation) in Market Value	347.2	398.2	148.0	14.8	0.1	1.5
Investment Income	76.6	148.1	34.6	7.4	0.1	10.1
Employer Contributions	112.0	0.0	8.5	5.8	0.3	0.3
Employee Contributions	73.5	79.9	10.5	1.8	0.3	0.6
Legislative Appropriation	0.0	154.9	71.5	0.0	0.0	0.0
Fire Insurance Premium Tax	0.0	0.0	0.0	0.0	0.0	4.8
Benefits Paid	(123.2)	(180.6)	(38.8)	(1.9)	(1.0)	(4.5)
Administrative Expenses	(2.7)	(2.9)	(1.1)	(0.2)	(0.1)	(0.1)
Market Value of Net Assets as of June 30, 1986	$ 3,915.3	$ 2,702.6	$ 1,594.7	$ 137.4	$ 0.9	$ 34.1

NOTE 6 - DEFERRED COMPENSATION PLAN

The State of Washington offers its employees, and employees of those political subdivisions that elect to participate, a deferred compensation plan pursuant to RCW 41.04.250, in accordance with Internal Revenue Code Section 457. Under the plan, eligible employees elect to defer a portion of their salary until future time periods. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable financial emergency.

Compensation deferred under the plan and all income attributable to the plan are solely the property of the State. The State's rights to this property are subject only to the claims of the State's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan. Political subdivisions electing to participate retain separate property rights.

The rights of State employees under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant.

The Deferred Compensation Committee has fiduciary responsibility for plan assets and has the duty of due care that would be required of an ordinary prudent investor. It is highly unlikely that the State will be required to use the assets to satisfy claims of general creditors in the future.

Of the $58,553,356 in the plan at June 30, 1986, $58,265,131 was applicable to the State, while the remaining $288,225 represents the assets of the other jurisdictions participating in the plan.

NOTE 7 - WORKERS' COMPENSATION PROGRAM

The State of Washington requires employers to secure payment of benefits for job-related injuries or diseases either by paying insurance premiums to the Workers' Compensation Fund or by self-insuring. Direct private insurance is not authorized, although self-insurers are permitted to reinsure up to 80 percent of their obligation through private insurers. The laws governing workers' compensation are contained in Chapter 51 RCW. There are five authorized benefit plans; a discussion of each plan follows.

The Accident plan pays compensation directly to injured employees for lost wages during temporary disability and for permanent partial disability awards under specific benefit schedules. This plan pays pension benefits to survivors of fatally injured workers and workers adjudged to be permanently and totally disabled. This plan also pays some related ancillary expenses. Financing is primarily from premiums paid by employers contributing to the Workers' Compensation Fund.

The Medical Aid plan pays benefits to providers of medical services to injured workers. Employers are allowed to withhold half of the medical aid premium from employees' wages.

The Pension Reserve plan pays benefits to all pensioners including self-insured claimants. When a pension is established, the Accident plan deposits the actuarial present value of the pension in the Pension Reserve plan. A self-insurer has the option of making a cash deposit or purchasing a surety bond to guarantee benefit payments; when a bond is purchased, reimbursements coincide with benefit payments.

The Accident, Medical Aid, and Pension Reserve plans are required to be maintained on an actuarially solvent basis, except that a cash flow basis is authorized for the Pension Reserve plan when benefits are guaranteed by a surety bond.

The Supplemental Pension plan pays cost of living increases to pensioners and workers receiving temporary disability benefits. Cost of living increases are based on the increase in the state average wage during the preceding calendar year and are granted in July. This plan is financed on a current basis through assessments to self-insurers and employers contributing to the Workers' Compensation Fund; half of the assessment may be deducted from employees' wages. This plan contains no assets, however, beginning this year an estimated long-term liability of $910 million is accounted for in the general long-term obligation account group. An additional current liability of $90 million is accounted for in the Human Resources expendable trust fund along with the current assessment receivable.

The Second Injury plan makes present value transfers to the Pension Reserve plan where a pre-existing disability is a major factor in the claimant's pension status. This plan contains no assets of the Workers' Compensation Fund; however, the Accident and Medical Aid plans include full reserves for these claims. In effect the Second Injury plan is fully funded provided the Accident and Medical Aid plans are solvent. Most self-insurers secure payment of future benefits by purchasing surety bonds.

The employer assessment rate for the Supplemental Pension and Secondary Injury plans are scheduled each year to provide funds for projected payments.

NOTE 8 - SUMMARY OF SIGNIFICANT LITIGATION

The State and its agencies are parties to numerous routine legal proceedings which normally occur in governmental operations, but the reoccurring pattern of such litigation is not likely to have a material adverse effect on the State's financial position.

In addition, the State is involved in litigation which could have a material impact upon State business and occupation taxes if a judgment is entered adverse to the interests of the State. In March, 1986, the Washington State Supreme Court unanimously upheld the constitutionality of the State's Business and Occupation Tax in that litigation which was brought by 170 in- and out-of-state manufacturers. The United States Supreme Court has accepted review and argument is expected in February, 1987 in Tyler Pipe Industries and National Can Corp. et al. v. State of Washington (U.S. Supreme Court No. 85-1963 and 85-2006).

The taxpayers' suit, which has thus far been unsuccessful, alleges that the imposition of the manufacturing and selling B&O taxes discriminate against interstate commerce and are violative of the Commerce Clause of the United States Constitution. If the manufacturers fully prevail, then annual taxes of approximately $178,000,000 are in jeopardy. If the manufacturers prevail and a 1985 statute is applicable, the tax jeopardy would only be approximately $16,000,000. If the taxpayers prevail, the question of whether there is to be a refund and, if so, for what period will remain to be resolved.

NOTE 9 - SUMMARY OF SUBSEQUENT EVENTS

The State issued new general obligation bonds on August 1, 1986, and general obligation refunding bonds on December 1, 1986, as described below.

The August 1986 bond issue in the amount of $184.1 million consisted of general purpose and motor vehicle fuel tax general obligation bonds. The bonds financed planning, acquisition, construction, and renovation of capital projects. The following State facilities benefited from this bond issue: water supply; jail; highways; higher education; State buildings; State highways; county and city urban arterials; social and health services; salmon enhancement; and the State Convention and Trade Center.

In December 1986, the $172.8 million bond issue refunded portions of outstanding general obligation bond series as follows: (a) portions of 11 series of general obligation bonds dated April 1, 1981, originally issued in amount of $97 million of which $68.2 million would be outstanding at the call date; and (b) portions of seven series of motor vehicle fuel tax general obligation bonds dated April 1, 1981, July 1, 1984, and October 1, 1985, originally issued in amount of $102.6 million of which $75.5 million would be outstanding at the call date. The refunding was undertaken by the State to effect a savings in debt service. The portion of the bonds outstanding at the call date are defeased by this refunding.

COMBINING FINANCIAL STATEMENTS

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

Basic Account - The Basic General Fund Account is nonrestrictive in use and purpose.

Restricted Accounts - Restricted Accounts are established by law as separate accounts within the General Fund. Restricted Accounts are moneys that can only be used for specific and earmarked purposes.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	BASIC ACCOUNT	RESTRICTED ACCOUNTS	TOTALS JUNE 30, 1986	TOTALS JUNE 30, 1985
ASSETS				
Cash and pooled investments	$ 154,054	$ 92,231	$ 246,285	$ 155,414
Investments	.....	1,099	1,099	2,153
Taxes receivable (net of allowance)	567,811	2,210	570,021	609,837
Other receivables (net of allowance)	138,145	13,459	151,604	93,484
Due from other funds	17,790	34,299	52,089	90,896
Due from other governments	107,000	430	107,430	80,626
Inventories	10,510	119	10,629	8,018
Total Assets	$ 995,310	$ 143,847	$ 1,139,157	$ 1,040,428
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Accounts payable	$ 143,086	$ 993	$ 144,079	$ 183,414
Contracts and retainages payable	2,248	7,668	9,916	11,572
Accrued liabilities	43,885	1,444	45,329	39,799
Due to other funds	49,431	32,795	82,226	91,023
Due to other governments	49,055	348	49,403	27,827
Deferred revenues	543,436	8,875	552,311	668,323
Total Liabilities	831,141	52,123	883,264	1,021,958
FUND EQUITY:				
Fund balances (deficit):				
Reserved for:				
Encumbrances	130,067	1,362	131,429	524
Inventories	10,510	119	10,629	8,018
Restricted accounts	.....	55,629	55,629	12,889
Other specific purposes	14,114	34,711	48,825	39,330
Unreserved:				
Undesignated	9,478	(97)	9,381	(42,291)
Total Fund Equity	164,169	91,724	255,893	18,470
Total Liabilities and Fund Equity	$ 995,310	$ 143,847	$ 1,139,157	$ 1,040,428

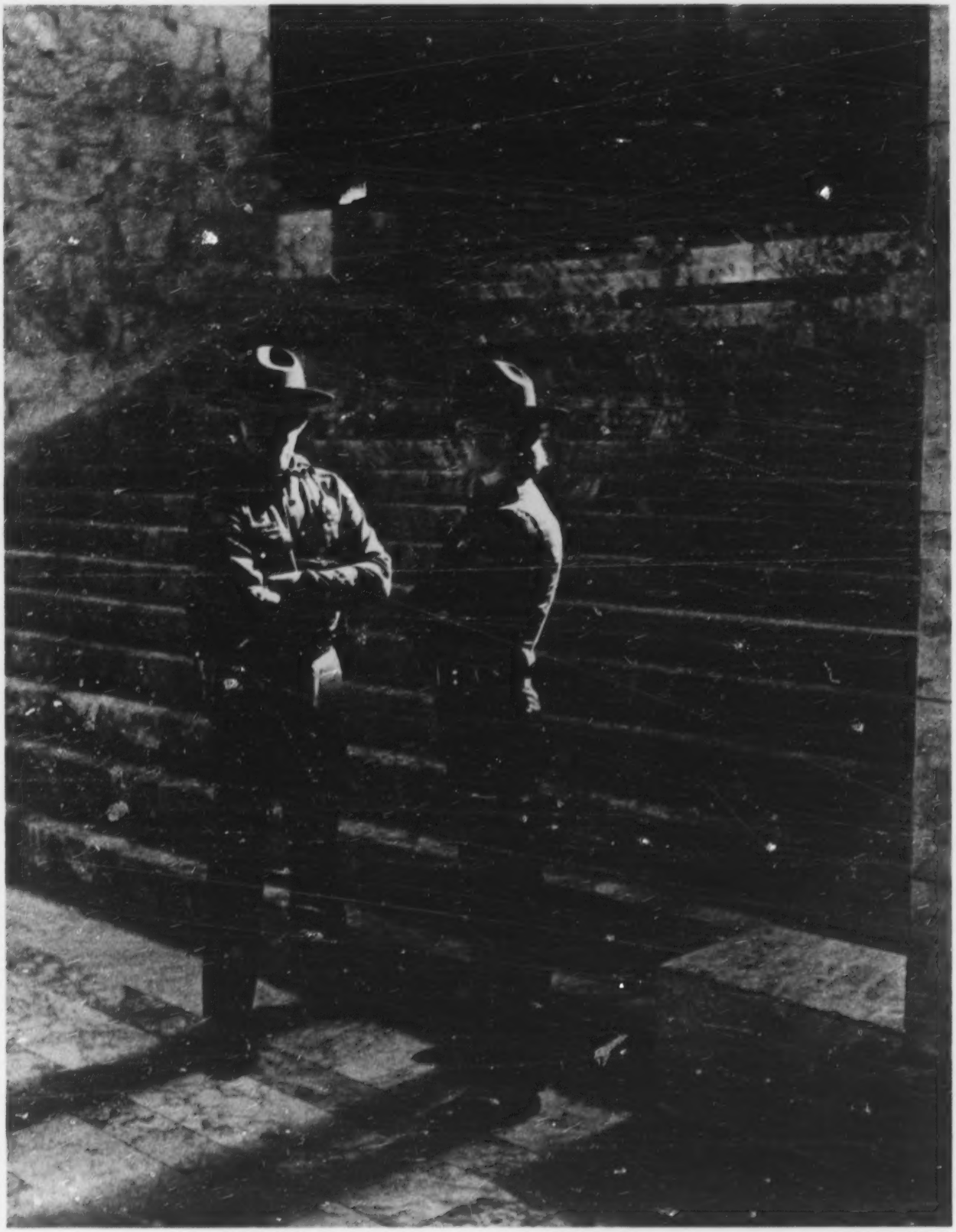
STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	BASIC ACCOUNT	RESTRICTED ACCOUNTS	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
REVENUES:				
Taxes	$ 4,400,434	$ 58,079	$ 4,458,513	$ 4,135,645
Licenses, permits, and fees	33,559	7,261	40,820	37,852
Federal grants-in-aid	1,038,165	170	1,038,335	1,005,055
Charges for services	157,216	277	157,493	133,191
Miscellaneous revenue	50,806	66,121	116,927	114,404
Total Revenues	5,680,180	131,908	5,812,088	5,426,147
EXPENDITURES:				
Current:				
General government	391,405	42,540	433,945	509,728
Human resources	2,058,450	11,719	2,070,169	1,940,410
Natural resources and recreation	127,183	39,283	166,466	137,653
Transportation	15,382	7,446	22,828	20,806
Education	2,915,844	7,235	2,923,079	2,640,216
Capital outlays	37,442	3,189	40,631	55,046
Debt service:				
Principal	1,381	2,407	3,788	4,734
Interest	516	498	1,014	1,267
Total Expenditures	5,547,603	114,317	5,661,920	5,309,860
Excess of Revenues Over (Under) Expenditures	132,577	17,591	150,168	116,287
OTHER FINANCING SOURCES (USES):				
Operating transfers in (out)	(90,300)	22,024	(68,276)	39,836
Capital lease acquisitions	1,448	.....	1,448	4,575
Total Other Financing Sources(Uses)	(88,852)	22,024	(66,828)	44,411
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	43,725	39,615	83,340	160,698
Fund balance as previously reported (deficit)	(33,676)	52,146	18,470	(138,230)
Fund balance restatement	151,102	(50)	151,052	(4,046)
Fund balance as restated (deficit)	117,426	52,096	169,522	(142,276)
Equity transfers	420	.....	420	.....
Changes in reserves	2,598	13	2,611	48
Ending Fund Balance (Deficit)	$ 164,169	$ 91,724	$ 255,893	$ 18,470

STATE OF WASHINGTON
INTERIM 1985-1987 BIENNIUM COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
GENERAL FUND
FOR FISCAL THE YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	BASIC ACCOUNT			RESTRICTED ACCOUNTS		
	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
REVENUES:						
Taxes	$ 8,953,528	$ 4,416,135	$ 4,537,393	$ 110,600	$ 57,681	$ 52,919
Licenses, permits, and fees	78,349	33,347	45,002	11,901	7,108	4,793
Federal grants-in-aid	2,255,713	996,191	1,259,522	290	599	(309)
Charges for services	294,160	151,764	142,396	189	253	(64)
Miscellaneous revenue	401,058	46,781	354,277	138,796	66,290	72,506
Total Revenues	11,982,808	5,644,218	6,338,590	261,776	131,931	129,845
EXPENDITURES:						
Current:						
General government	785,271	394,587	370,684	99,276	44,183	55,093
Human resources	4,455,912	2,065,868	2,390,044	34,819	11,805	23,014
Natural resources and recreation	282,830	130,124	152,706	92,599	40,510	52,089
Transportation	36,214	15,711	20,503	17,230	7,561	9,669
Education	6,005,778	2,937,928	3,067,850	16,453	7,250	9,203
Capital outlays	4,313	1,591	2,722	15,828	3,009	12,819
Debt service						
Total Expenditures	11,550,318	5,545,809	6,004,509	276,205	114,318	161,887
Excess of Revenues Over (Under) Expenditures	432,490	98,409	334,081	(14,429)	17,613	(32,042)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds			0			0
Net operating transfers in(out)	(338,409)	(89,395)	(249,014)	21,451	22,026	(575)
Total Other Financing Sources (Uses)	(338,409)	(89,395)	(249,014)	21,451	22,026	(575)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ 94,081	$ 9,014	$ 85,067	$ 7,022	$ 39,639	$ (32,617)

TOTALS		
Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
$ 9,064,128	$ 4,473,816	$ 4,590,312
90,250	40,455	49,795
2,256,003	996,790	1,259,213
294,349	152,017	142,332
539,854	113,071	426,783
12,244,584	5,776,149	6,468,435
864,547	438,770	425,777
4,490,731	2,077,673	2,413,058
375,429	170,634	204,795
53,444	23,272	30,172
6,022,231	2,945,178	3,077,053
20,141	4,600	15,541
0	0	0
11,826,523	5,660,127	6,166,396
418,061	116,022	302,039
0	0	0
(316,958)	(67,369)	(249,589)
(316,958)	(67,369)	(249,589)
$ 101,103	$ 48,653	$ 52,450



SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. A brief description of each fund follows:

Motor Vehicle - Used by the Washington State Patrol for highway activities of the patrol. Used by the Department of Transportation for maintenance of noninterstate highways and bridges, transportation improvements, and for the completion and preservation of the interstate system. Revenues are from federal transportation agencies, motor vehicle fuel taxes, and motor vehicle licenses.

Highway Safety - Used by the Department of Licensing to carry out the provisions of law relating to drivers' licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records, and maintaining such case records. Revenues are derived principally from motor vehicle operators.

State Game - Used by the Department of Game for the protection, propagation, and conservation of wild animals, wild birds, and game fish. Revenues are derived principally from hunting and fishing licenses.

Common School - Used by the State Board of Education for financing the construction of facilities for common schools. Revenues are derived principally from the sale of property (timber) and investment earnings.

General Government - Used to pay administrative costs or operating expenditures of some general government state agencies.

Human Resources - Used to provide funds to units of local government for new construction or substantial remodeling of detention and correctional facilities to obtain compliance with the physical plant standards for each facility. Used by the Employment Security Department for defraying the administrative cost of unemployment compensation.

Natural Resources - Primarily used by the Department of Ecology for planning, design, acquisition, construction, and improvement of public waste disposal, water supply facilities, and the related management systems.

Education - Used by the colleges and universities to account for grants and contracts received for research and other educational purposes, and to account for dedicated revenue. Used by the Historical Society to account for contributions, sales, membership fees, and interest.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	MOTOR VEHICLE	HIGHWAY SAFETY	STATE GAME	COMMON SCHOOL	GENERAL GOVERNMENT
ASSETS					
Cash and pooled investments	$ 77,917	$ 7,834	$ 3,251	$ 45,381	$ 36,887
Investments	.....	.....	2,123	.....	300
Taxes receivable (net of allowance)	562	.....	.....	.....	.....
Other receivables (net of allowance)	19,520	.....	1,008	12,172	3,566
Due from other funds	67,039	434	304	2,653	13,807
Due from other governments	59,555	.....	1,336	.....	82
Inventories	14,757	401	151	.....	.....
Total Assets	$ 239,350	$ 8,669	$ 8,173	$ 60,206	54,642
LIABILITIES AND FUND EQUITY					
LIABILITIES:					
Accounts payable	$ 46,407	$ 1,486	$ 409	$ 121	$ 1,053
Contracts and retainages payable	13,886	62	.....	27,975	1,400
Accrued liabilities	9,682	20	800	.....	1,451
Due to other funds	17,586	2	.....	.....	211
Due to other governments	2,256	.....	.....	.....	.....
Deferred revenues	64,529	.....	810	8,064	.....
Total Liabilities	154,346	1,570	2,019	36,160	4,115
FUND EQUITY:					
Fund balances (deficit):					
Reserved for:					
Encumbrances	7,373	629	749	49,996	472
Inventories	14,757	401	151	.....	.....
Other specific purposes	707	.....	2,145	.....	348
Unreserved:					
Designated for other specific purposes	.....	.....	.....	.....	11,597
Undesignated	62,167	(6,069)	3,109	(25,950)	38,110
Total Fund Equity	85,004	7,099	6,154	24,046	50,527
Total Liabilities and Fund Equity	$ 239,350	$ 8,669	$ 8,173	$ 60,206	$ 54,642

HUMAN RESOURCES	NATURAL RESOURCES	EDUCATION	TOTALS JUNE 30, 1986	TOTALS JUNE 30, 1985
$ 21,413	$ 133,027	$ 109,667	$ 435,377	$ 344,495
.....	221	3,246	5,890	7,959
2,878	2,007	.....	5,447	6,912
55	12,985	25,655	74,961	73,943
773	7,008	17,193	109,211	151,024
402	2,168	19,132	82,675	92,654
.....	.....	3,854	19,163	19,069
$ 25,521	$ 157,416	$ 178,747	$ 732,724	$ 696,056
$ 1,679	$ 602	$ 12,919	$ 64,676	$ 87,425
75	8,487	307	52,192	48,936
2,690	958	22,128	37,729	37,621
593	621	15,218	34,231	47,954
.....	11,001	2,829	16,086	14,583
.....	12,742	24,434	110,579	217,775
5,037	34,411	77,835	315,493	454,294
12,737	19,537	5,552	97,045	58,662
.....	.....	3,854	19,163	19,069
15	269	4,756	8,240	16,615
.....	.....	91	11,688	126
7,732	103,199	86,659	281,095	147,290
20,484	123,005	100,912	417,231	241,762
$ 25,521	$ 157,416	$ 178,747	$ 732,724	$ 696,056

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	MOTOR VEHICLE	HIGHWAY SAFETY	STATE GAME	COMMON SCHOOL	GENERAL GOVERNMENT
REVENUES:					
Taxes	$ 416,435	$	$ 38	$	$ 10,980
Licenses, permits, and fees	124,883	13,144	18,961	.....	14,874
Federal grants-in-aid	358,565	2,926	4,771	415	173
Charges for services	1,358	.....	6	.....	4,737
Miscellaneous revenue	20,120	6,206	3,748	66,618	19,006
Total Revenues	921,361	22,276	27,524	67,033	49,770
EXPENDITURES:					
Current:					
General government	129,460	.....	53	.....	41,532
Human resources	.....	.....	.....	.....	2,591
Natural resources and recreation	460	.....	25,818	.....	548
Transportation	410,493	20,582	125	.....	1,453
Education	.....	.....	.....	441	73
Capital outlays	387,772	118	1,859	71,110	974
Debt service:					
Principal	2,120	37	77	0	11
Interest	200	10	2	0	2
Total Expenditures	930,505	20,747	27,934	71,551	47,184
Excess of Revenues Over (Under) Expenditures	(9,144)	1,529	(410)	(4,518)	2,586
OTHER FINANCING SOURCES (USES):					
Bond sale proceeds	49,047	.....	.....	39,514	.....
Operating transfers in (out)	(83,560)	(641)	(553)	(4,663)	5,597
Capital lease acquisitions	.....	.....	45	.....	.....
Total Other Financing Sources(Uses)	(34,513)	(641)	(508)	34,851	5,597
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(43,657)	888	(918)	30,333	8,183
Fund balance as previously reported (deficit)	92,254	5,735	5,636	(13,350)	40,781
Fund balance restatement	34,401	216	1,453	7,063	1,563
Fund balance as restated (deficit)	126,655	5,951	7,089	(6,287)	42,344
Equity transfers	.....	.....	.....	.....	.....
Changes in reserves	2,006	260	(17)	.....	.....
Ending Fund Balance (Deficit)	$ 85,004	$ 7,099	$ 6,154	$ 24,046	$ 50,527

HUMAN RESOURCES	NATURAL RESOURCES	HIGHER EDUCATION	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
$.....	$ 18,234	$.....	$ 445,687	$ 358,895
5,365	10,539	.....	187,766	184,109
51,055	2,623	224,890	645,418	645,181
334	748	81,588	88,771	151,793
6,391	42,706	98,905	263,700	202,769
63,145	74,850	405,383	1,631,342	1,542,747
.....	.....	.....	171,045	134,784
81,716	5,748	42	90,097	115,512
15	101,285	.....	128,126	114,058
.....	17	.....	432,670	441,807
.....	.....	342,165	342,679	394,824
1,841	2,698	27,083	493,455	463,159
10	0	1,230	3,485	3,274
3	2	410	629	595
83,585	109,750	370,930	1,662,186	1,668,013
(20,440)	(34,900)	34,453	(30,844)	(125,266)
33,300	85,000	.....	206,861	100,145
647	130	(691)	(83,734)	(74,541)
.....	.....	105	150	7,096
33,947	85,130	(586)	123,277	32,700
13,507	50,230	33,867	92,433	(92,566)
3,775	73,461	33,470	241,762	330,627
3,202	(682)	35,434	82,650	1,825
6,977	72,779	68,904	324,412	332,452
.....	(4)	294	290	506
.....	.....	(2,153)	96	1,370
$ 20,484	$ 123,005	$ 100,912	$ 417,231	$ 241,762

STATE OF WASHINGTON
INTERIM 1985-1987 BIENNIUM COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL SPECIAL REVENUE FUNDS FOR FISCAL THE YEAR ENDED JUNE 30, 1986 (EXPRESSED IN THOUSANDS)

	MOTOR VEHICLE			HIGHWAY SAFETY		
	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
REVENUES:						
Taxes	$ 825,388	$ 416,343	$ 409,045	$	$	$ 0
Licenses, permits, and fees	248,850	128,631	120,219	23,707	13,327	10,380
Federal grants-in-aid	696,460	318,996	377,464	5,322	2,926	2,396
Charges for services	4,214	1,077	3,137			0
Miscellaneous revenue	34,299	22,956	11,343	12,000	6,241	5,759
Total Revenues	1,809,211	888,003	921,208	41,029	22,494	18,535
EXPENDITURES:						
Current:						
General government	259,614	129,475	130,139			0
Human resources			0			0
Natural resources and recreation	1,579	460	1,119			0
Transportation	583,956	255,868	328,088	44,938	20,747	24,191
Education			0			0
Capital outlays	1,129,194	544,701	584,493			0
Debt service			0			0
Total Expenditures	1,974,343	930,504	1,043,839	44,938	20,747	24,191
Excess of Revenues Over (Under) Expenditures	(165,132)	(42,501)	(122,631)	(3,909)	1,747	(5,656)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	187,000	49,047	137,953			0
Net operating transfers in(out)	9,944	(83,556)	93,500		(641)	641
Total Other Financing Sources (Uses)	196,944	(34,509)	231,453	0	(641)	641
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ 31,812	$ (77,010)	$ 108,822	$ (3,909)	$ 1,106	$ (5,015)

STATE GAME			COMMON SCHOOL			GENERAL GOVERNMENT		
Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
$ 100	$ 38	$ 62	$	$	$ 0	$ 21,611	$ 10,304	$ 11,307
38,279	18,954	19,325			0	28,178	14,840	13,338
12,079	4,911	7,168	1,586	415	1,171	978	179	799
	3	(3)			0	453	4,421	(3,968)
5,329	3,605	1,724	144,492	67,282	77,210	78,947	18,733	60,214
55,787	27,511	28,276	146,078	67,697	78,381	130,167	48,477	81,690
53	53	0				89,596	42,502	47,094
		0				10,558	2,591	7,967
51,213	26,357	24,856				2,275	548	1,727
365	127	238				13,171	1,453	11,718
		0				327	73	254
2,150	1,322	828	180,013	71,551	108,462			0
		0						0
53,781	27,859	25,922	180,013	71,551	108,462	115,927	47,167	68,760
2,006	(348)	2,354	(33,935)	(3,854)	(30,081)	14,240	1,310	12,930
		0	40,000	39,514	486			0
(1,715)	(553)	(1,162)	(6,876)	(4,663)	(2,213)	(1,273)	5,470	(6,743)
(1,715)	(553)	(1,162)	33,124	34,851	(1,727)	(1,273)	5,470	(6,743)
$ 291	$ (901)	$ 1,192	$ (811)	$ 30,997	$ (31,808)	$ 12,967	$ 6,780	$ 6,187

STATE OF WASHINGTON
INTERIM 1985-1987 BIENNIUM COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - CONTINUED
SPECIAL REVENUE FUNDS
FOR FISCAL THE YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	HUMAN RESOURCES			NATURAL RESOURCES		
	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
REVENUES:						
Taxes	$	$	$ 0	$ 52,726	$ 14,996	$ 37,730
Licenses, permits, and fees	13,287	5,358	7,929	35,139	11,107	24,032
Federal grants-in-aid	107,421	51,055	56,366	5,770	1,762	4,008
Charges for services	435	334	101		343	(343)
Miscellaneous revenue	11,382	5,633	5,749	16,096	42,411	(26,315)
Total Revenues	132,525	62,380	70,145	109,731	70,619	39,112
EXPENDITURES:						
Current:						
General government			0			0
Human resources	160,662	83,000	77,662	48,304	5,750	42,554
Natural resources and recreation	765	15	750	495,430	102,334	393,096
Transportation			0	175	17	158
Education			0			0
Capital outlays	2,475	569	1,906	5,038	1,649	3,389
Debt service			0			0
Total Expenditures	163,902	83,584	80,318	548,947	109,750	439,197
Excess of Revenues Over (Under) Expenditures	(31,377)	(21,204)	(10,173)	(439,216)	(39,131)	(400,085)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	33,300	33,300	0	496,055	85,000	411,055
Net operating transfers in(out)	(328)	671	(999)	(177)	130	(307)
Sources (Uses)	32,972	33,971	(999)	495,878	85,130	410,748
Sources Over (Under) Expenditures and Other Uses	$ 1,595	$ 12,767	$ (11,172)	$ 56,662	$ 45,999	$ 10,663

EDUCATION			TOTALS		
Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
$	$	$ 0	$ 899,825	$ 441,681	$ 458,144
		0	387,440	192,217	195,223
473,059	225,804	247,255	1,302,675	606,048	696,627
356,026	79,772	276,254	361,128	85,950	275,178
155,827	97,530	58,297	458,372	264,391	193,981
984,912	403,106	581,806	3,409,440	1,590,287	1,819,153
		0	349,263	172,030	177,233
499	42	457	220,023	91,383	128,640
		0	551,262	129,714	421,548
		0	642,605	278,212	364,393
924,563	368,713	555,850	924,890	368,786	556,104
6,553	4,263	2,290	1,325,423	624,055	701,368
		0	0	0	0
931,615	373,018	558,597	4,013,466	1,664,180	2,349,286
53,297	30,088	23,209	(604,026)	(73,893)	(530,133)
		0	756,355	206,861	549,494
(49,259)	(691)	(48,568)	(49,684)	(83,833)	34,149
(49,259)	(691)	(48,568)	706,671	123,028	583,643
$ 4,038	$ 29,397	$ (25,359)	$ 102,645	$ 49,135	$ 53,510

DEBT SERVICE FUNDS

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. A brief description of each fund follows:

Transportation - Used for the accumulation of resources and payment of highway and ferry bond principal and interest. Revenue is derived principally from the motor vehicle fuel tax.

Other - Used for the accumulation of resources and payment of all other general long-term debt principal and interest.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	TRANSPORTATION	OTHER	TOTALS JUNE 30, 1986	TOTALS JUNE 30, 1985
ASSETS				
Cash and pooled investments	$ 32,848	$ 26,034	$ 58,882	$ 45,181
Investments				7,051
Other receivables (net of allowance)		85	85	240
Due from other funds	1,822	8,146	9,968	7,247
Total Assets	$ 34,670	$ 34,265	$ 68,935	$ 59,719
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Contracts and retainages payable	$	$ 1,536	$ 1,536	$ 2,593
Accrued liabilities	637	2,222	$ 2,859	$ 1,127
Deferred revenues		28	28	179
Total Liabilities	637	3,786	4,423	3,899
FUND EQUITY:				
Fund balances (deficit):				
Unreserved:				
Designated for debt service	34,033	30,479	64,512	55,820
Total Fund Equity	34,033	30,479	64,512	55,820
Total Liabilities and Fund Equity	$ 34,670	$ 34,265	$ 68,935	$ 59,719

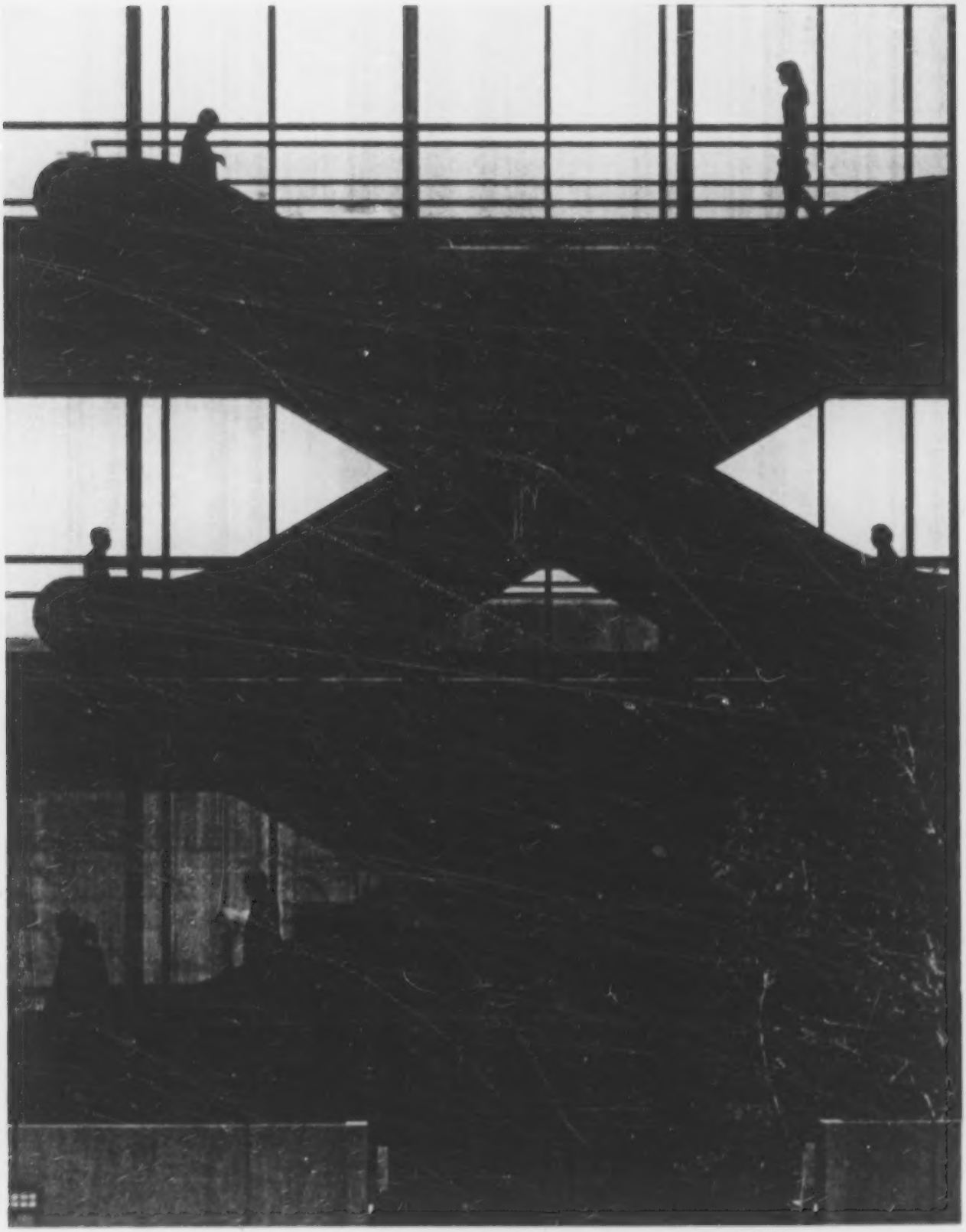
STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	TRANSPORTATION	OTHER	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
REVENUES:				
Taxes	$	$	$	$ 111,996
Federal grants-in-aid		164	164	170
Miscellaneous revenue	1,829	30,695	32,524	27,903
Total Revenues	1,829	30,859	32,688	140,069
EXPENDITURES:				
Debt service:				
Principal	24,045	55,525	79,570	116,165
Interest	51,532	155,367	206,899	154,172
Refunding payments to escrow agent	166,392	646,329	812,721	161,771
Total Expenditures	241,969	857,221	1,099,190	432,108
Excess of Revenues Over (Under) Expenditures	(240,140)	(826,362)	(1,066,502)	(292,039)
OTHER FINANCING SOURCES (USES):				
Bond sale proceeds from refunding	163,809	647,332	811,141	161,771
Operating transfers in (out)	78,912	185,383	264,295	127,926
Total Other Financing Sources(Uses)	242,721	832,715	1,075,436	289,697
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	2,581	6,353	- 8,934	(2,342)
Fund balance as previously reported (deficit)	31,452	24,368	55,820	61,190
Fund balance restatement		170	170	(3,028)
Fund balance as restated (deficit)	31,452	24,538	55,990	58,162
Equity transfers		(412)	(412)	
Ending Fund Balance (Deficit)	$ 34,033	$ 30,479	$ 64,512	$ 55,820

STATE OF WASHINGTON
INTERIM 1985-1987 BIENNIUM COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL DEBT SERVICE FUNDS
FOR FISCAL THE YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	TRANSPORTATION			OTHER		
	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
REVENUES:						
Taxes	$	$	$ 0	$	$	$ 0
Licenses, permits, and fees			0			0
Federal grants-in-aid			0		164	(164)
Charges for services			0	6,061	3,034	3,027
Miscellaneous revenue		1,829	(1,829)	26,036	27,720	(1,684)
Total Revenues	0	1,829	(1,829)	32,097	30,918	1,179
EXPENDITURES:						
Debt service	147,379	75,576	71,803	445,845	210,893	234,952
Total Expenditures	147,379	75,576	71,803	445,845	210,893	234,952
Excess of Revenues Over (Under) Expenditures	(147,379)	(73,747)	(73,632)	(413,748)	(179,975)	(233,773)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds			0			0
Net operating transfers in(out)	147,379	78,912	68,467	429,964	181,653	248,311
Total Other Financing Sources (Uses)	147,379	78,912	68,467	429,964	181,653	248,311
Excess of Revenues and Other Sources Over / Under) Expenditures and Other Uses	$ 0	$ 5,165	$ (5,165)	$ 16,216	$ 1,678	$ 14,538

TOTALS		
Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
$ 0	$ 0	$ 0
0	0	0
0	164	(164)
6,061	3,034	3,027
26,036	29,549	(3,513)
32,097	32,747	(650)
593,224	286,469	306,755
593,224	286,469	306,755
(561,127)	(253,722)	(307,405)
0	0	0
577,343	260,565	316,778
577,343	260,565	316,778
$ 16,216	$ 6,843	$ 9,373



CAPITAL PROJECTS FUNDS

Capital Projects Funds account for financial resources to be utilized for the acquisition, construction, or improvement of major capital facilities (other than those financed by Proprietary Funds and similar Trust Funds). A brief description of each fund follows:

General Government - To account for the construction or remodeling of public buildings.

Human Resources - To account for the construction, remodeling, and equipping of social and health services facilities.

Natural Resources - To account for the acquisition, construction, and remodeling of salmon hatcheries and other fisheries facilities.

Education - To account for the acquisition, construction, and remodeling of facilities for institutions of higher education.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GENERAL GOVERNMENT	HUMAN RESOURCES	NATURAL RESOURCES	EDUCATION	TOTALS JUNE 30, 1986	TOTALS JUNE 30, 1985
ASSETS						
Cash and pooled investments	$ 22,536	$ 6,035	$ (26)	$ 55,930	$ 84,475	$ 66,898
Investments				218	218	237
Other receivables (net of allowance)	820	31		54	905	258
Due from other funds		52		2,778	2,830	4,325
Due from other governments		3		22	25	5,683
Total Assets	$ 23,356	$ 6,121	$ (26)	$ 59,002	$ 88,453	$ 77,401
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Accounts payable	$ 792	$ 421	$ 161	$ 5,353	$ $6,727	$ $11,832
Contracts and retainages payable	1,049	2,407		1,219	4,675	9,886
Accrued liabilities	59	11	50	21	141	99
Due to other funds	534	57	4	21,413	22,008	11,004
Due to other governments						98
Deferred revenues	484	28		2	514	6,981
Total Liabilities	2,918	2,924	215	28,008	34,065	39,900
FUND EQUITY:						
Fund balances (deficit):						
Reserved for:						
Encumbrances	5,185	5,814	658	6,104	17,761	242
Other specific purposes				218	218	
Unreserved:						
Designated for other specific purposes	15,253	(2,617)	(899)	24,672	36,409	37,259
Total Fund Equity	20,438	3,197	(241)	30,994	54,388	37,501
Total Liabilities and Fund Equity	$ 23,356	$ 6,121	$ (26)	$ 59,002	$ 88,453	$ 77,401

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GENERAL GOVERNMENT	HUMAN RESOURCES	NATURAL RESOURCES	EDUCATION	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
REVENUES:						
Federal grants-in-aid	$	$	$	$ 120	$ 120	$ 203
Charges for services	.....	.....	.....	15,176	15,176	15,063
Miscellaneous revenue	9,782	10	.....	11,109	20,901	17,622
Total Revenues	9,782	10	0	26,405	36,197	32,888
EXPENDITURES:						
Current:						
General government	.....	.....	.....	.....	0	2
Human resources	22	1,000	.....	8	1,030	1,483
Natural resources and recreation	9,962	.....	1,924	.....	11,886	10,279
Transportation	312	.....	.....	.....	312	74
Education	1,258	.....	.....	1,022	2,280	5,633
Capital outlays	9,022	30,515	713	37,651	77,901	162,944
Debt service:						
Principal	0	0	0	0	0	0
Interest	1	162	0	539	702	66
Total Expenditures	20,577	31,677	2,637	39,220	94,111	180,481
Excess of Revenues Over (Under) Expenditures	(10,795)	(31,667)	(2,637)	(12,815)	(57,914)	(147,593)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	25,881	47,425	.....	26,170	99,476	63,795
Operating transfers in (out)	(1,135)	(61)	(8)	(5,408)	(6,612)	15,745
Total Other Financing Sources(Uses)	24,746	47,364	(8)	20,762	92,864	79,540
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	13,951	15,697	(2,645)	7,947	34,950	(68,053)
Fund balance as previously reported (deficit)	5,408	(13,205)	2,404	42,894	37,501	105,639
Fund balance restatement	1,079	705	.....	(19,845)	(18,061)	0
Fund balance as restated (deficit)	6,487	(12,500)	2,404	23,049	19,440	105,639
Equity transfers	.....	.....	.....	(2)	(2)	(85)
Ending Fund Balance (Deficit)	$ 20,438	$ 3,197	$ (241)	$ 30,994	$ 54,388	$ 37,501

STATE OF WASHINGTON
INTERIM 1985-1987 BIENNIUM COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL - CAPITAL PROJECT FUNDS
FOR FISCAL THE YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GENERAL GOVERNMENT			HUMAN RESOURCES		
	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
REVENUES:						
Taxes	$	$	$ 0	$	$	$ 0
Licenses, permits, and fees			0			0
Federal grants-in-aid			0			0
Charges for services			0			0
Miscellaneous revenue	8,315	9,941	(1,626)		7	(7)
Total Revenues	8,315	9,941	(1,626)	0	7	(7)
EXPENDITURES:						
Current:						
General government			0			0
Human resources			0			0
Natural resources and recreation			0			0
Transportation	2,120	666	1,454			0
Education			0			0
Capital outlays	99,745	19,911	79,834	40,858	31,678	9,180
Debt service						
Total Expenditures	101,865	20,577	81,288	40,858	31,678	9,180
Excess of Revenues Over (Under) Expenditures	(93,550)	(10,636)	(82,914)	(40,858)	(31,671)	(9,187)
OTHER FINANCING SOURCES (USES):						
Bond sale proceeds	119,600	25,881	93,719	78,616	47,425	31,191
Net operating transfers in(out)	(452)	(1,136)	684		(61)	61
Total Other Financing Sources (Uses)	119,148	24,745	94,403	78,616	47,364	31,252
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ 25,598	$ 14,109	$ 11,489	$ 37,758	$ 15,693	$ 22,065

NATURAL RESOURCES			EDUCATION			TOTALS		
Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86	Approved Budget 1985-87 Biennium	Actual Biennium To Date Thru 6/30/86	Difference Uncollected/ Unspent Thru 6/30/86
$	$	$ 0	$	$	$ 0	$ 0	$ 0	$ 0
		0			0	0	0	0
		0	498	120	378	498	120	378
		0	30,169	14,911	15,258	30,169	14,911	15,258
		0	15,422	11,409	4,013	23,737	21,357	2,380
0	0	0	46,089	26,440	19,649	54,404	36,388	18,016
		0			0	0	0	0
		0			0	0	0	0
		0			0	0	0	0
		0			0	2,120	666	1,454
		0			0	0	0	0
7,257	2,637	4,620	135,651	40,148	95,503	283,511	94,374	189,137
		0				0	0	0
7,257	2,637	4,620	135,651	40,148	95,503	285,631	95,040	190,591
(7,257)	(2,637)	(4,620)	(89,562)	(13,708)	(75,854)	(231,227)	(58,652)	(172,575)
6,461		6,461	104,626	26,170	78,456	309,303	99,476	209,827
	(7)	7	25,997	(5,408)	31,405	25,545	(6,612)	32,157
6,461	(7)	6,468	130,623	20,762	109,861	334,848	92,864	241,984
$ (796)	$ (2,644)	$ 1,848	$ 41,061	$ 7,054	$ 34,007	$ 103,621	$ 34,212	$ 69,409

ENTERPRISE FUNDS

Enterprise Funds account for operations: (1) that are financed and operated in a manner similar to private enterprise - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. A brief description of each fund follows:

Liquor - Used by the Liquor Control Board for the operation of State liquor stores and warehouses, administrative costs, and distribution of net proceeds.

Workers' Compensation - Used by the Department of Labor and Industries for medical and hospital expenses, time loss and partial permanent disability payments to injured workers, and pensions and awards to survivors of deceased injured workers and permanently and totally disabled workers.

Convention and Trade - Used by the State Convention and Trade Center for the acquisition, design, construction, promotion, and operation of the State Convention and Trade Center.

Lottery - Used by the Lottery Commission for ticket revenues, administrative and operating expenses of the Lottery Commission, and the distribution of revenue to the General Fund.

Institutional - To account for the enterprise activities (industries) carried out through vocational/education programs at the correctional institutions.

Natural Resources - Used to record financial activities of the State tree nursery, to account for moneys received from users of access roads as payment for costs of maintaining access to public lands or State forest lands, and for surveillance and/or maintenance of radioactive materials held for waste management purposes at any publicly or privately operated facility located within the State.

Transportation - Used by the Department of Transportation for all revenue and payment of all operating costs of the ferry system, to allocate financial resources to certain accounts required to be maintained by bond resolution or statute, and to account for the revenues, maintenance, and operations of the Spokane River toll bridge.

Higher Education - Used by colleges and universities principally for bookstore, cafeteria, parking, student housing, and food service business enterprise activities.

Other Activities - Used for the operation of the Washington library network computer system, and for the production and sale of Statute law publications and official reports of the Supreme Court and Court of Appeals.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
ENTERPRISE FUNDS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL	NATURAL RESOURCES
ASSETS						
CURRENT ASSETS:						
Cash and pooled investments	$ 5,695	$ 4,082	$ 56,060	$ 9,090	$ 811	$ 21,494
Investments, current						
Taxes receivable (net of allowance)	2,348					
Other receivables (net of allowance)	188	261,907	47	3,461	532	556
Due from other funds	774	2,849	4,884	58	78	1,325
Due from other governments	78	276			70	239
Inventories	40,377	199		810	2,166	
Prepaid expenses	19			293		
TOTAL CURRENT ASSETS	49,479	269,313	60,991	13,712	3,657	23,614
OTHER ASSETS:						
Investments, noncurrent		2,612,299		16,390		
Deferred charges and other assets			6,834			1,149
TOTAL OTHER ASSETS	0	2,612,299	6,834	16,390	0	1,149
FIXED ASSETS:						
Land	177	298				
Buildings	1,891	1,686			574	581
Other improvements and miscellaneous				404	45	
Machinery and equipment	9,360	10,718	183	1,431	3,117	230
Accumulated depreciation	(8,503)	(3,926)	(33)	(892)	(2,020)	(80)
Construction in progress			49,450		45	
TOTAL FIXED ASSETS	2,925	8,776	49,600	943	1,761	731
Total Assets	$ 52,404	$ 2,890,388	$ 117,425	$ 31,045	$ 5,418	$ 25,494
LIABILITIES AND FUND EQUITY						
CURRENT LIABILITIES:						
Accounts payable	$ 19,762	$ 3,146	$ 1,584	$ 293	$ 1,474	$ 204
Contracts and retainages payable	266	23,531		17		721
Accrued liabilities	3,158	39,424	8,720	10,996	245	186
Matured bonds payable						
Due to other funds		13,671		2,468	23	92
Deferred revenues	5,760					1,149
Current workers' comp benefits payable		421,249				
TOTAL CURRENT LIABILITIES	28,946	501,021	10,304	13,774	1,742	2,352
LONG-TERM LIABILITIES:						
Long-term workers' comp benefits payable		2,039,816				
Bonds payable			92,750			
Other long-term obligations		153,529	1,234	14,988		
TOTAL LONG-TERM LIABILITIES	0	2,193,345	93,984	14,988	0	0
Total Liabilities	28,946	2,694,366	104,288	28,762	1,742	2,352
FUND EQUITY:						
Unrealized gain on investments		184,468				
Contributed capital					2,965	
Retained earnings (deficit):						
Reserved						
Unreserved	23,458	11,554	13,137	2,283	711	23,142
Total Fund Equity	23,458	196,022	13,137	2,283	3,676	23,142
Total Liabilities and Fund Equity	$ 52,404	$ 2,890,388	$ 117,425	$ 31,045	$ 5,418	$ 25,494

TRANSPORTATION	HIGHER EDUCATION	OTHER ACTIVITIES	TOTALS JUNE 30, 1986	TOTALS JUNE 30, 1985
$ 10,455	$ 55,066	$ 1,515	$ 164,268	$ 172,125
.....	.....	.....	.....	30,534
.....	.....	.....	2,348	1,917
1,078	26,704	813	295,286	209,428
1,256	24,480	85	35,789	23,820
.....	1,991	.....	2,654	2,447
4,045	10,265	120	57,982	50,031
184	1,203	14	1,713	1,356
17,018	119,709	2,547	560,040	491,658
.....	26,525	170	2,655,384	2,061,209
25	710	.....	8,718	6,552
25	27,235	170	2,664,102	2,067,761
5,141	218	.....	5,834	2,505
42,588	323,123	2	370,445	282,719
125,904	7,813	.....	134,166	128,440
194,304	54,976	1,512	275,831	231,283
(68,047)	(130,144)	(1,141)	(214,786)	(160,743)
.....	61,019	.....	110,514	14,225
299,890	317,005	373	682,004	498,429
$ 316,933	$ 463,949	$ 3,090	$ 3,906,146	$ 3,057,848
$ 3,074	$ 4,855	$ 101	$ 34,493	$ 34,000
.....	3,891	392	28,818	735
4,698	12,854	189	80,670	68,042
1,326	9,158	.....	6,484	5,117
45,743	3,338	6	65,341	41,004
.....	8,054	.....	14,963	14,523
.....	.....	.....	421,249	396,462
54,841	38,150	688	651,818	559,883
.....	.....	.....	2,039,816	1,848,422
22,984	174,139	.....	289,873	222,708
.....	12,904	129	182,784	157,750
22,984	187,043	129	2,512,473	2,228,880
77,825	225,193	817	3,164,291	2,788,763
.....	.....	.....	184,468	.....
316,453	7,975	.....	327,393	317,599
.....	8,671	.....	8,671	102,461
(77,345)	222,110	2,273	221,323	(150,975)
239,108	238,756	2,273	741,855	269,085
$ 316,933	$ 463,949	$ 3,090	$ 3,906,146	$ 3,057,848

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

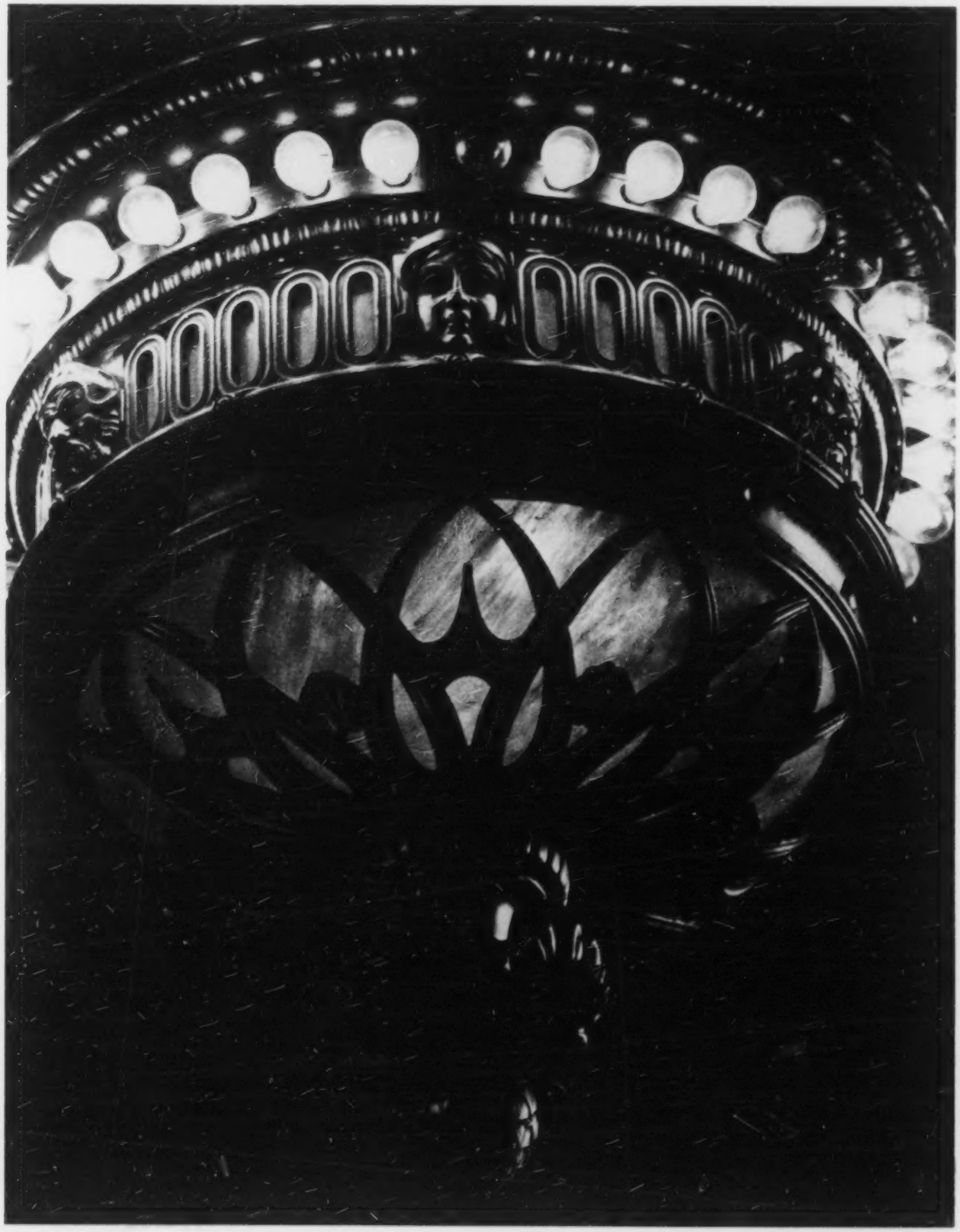
	LIQUOR	WORKERS' COMPENSATION	CONVENTION & TRADE	LOTTERY	INSTITUTIONAL
OPERATING REVENUES:					
Sales	$ 220,112	$ 0	$ 0	$ 0	$ 8,567
Less: Cost of goods sold	159,210	0	0	0	6,477
Gross profit	60,902	0	0	0	2,090
Charges for services	.....	44	.....	.....	55
Workers' compensation contributions	.....	588,927	.....	.....	.....
Lottery ticket proceeds	.....	.....	.....	181,184	.....
Miscellaneous revenue	30,089	6,136	7,001	53	1
Total Operating Revenues	90,991	595,107	7,001	181,237	2,146
OPERATING EXPENSES:					
Salaries and wages	24,440	36,441	536	2,847	2,071
Personal services	.....	3,201	929	9,345	22
Goods and services	9,746	16,718	395	12,137	1,147
Travel	139	1,502	28	256	27
Employee benefits	6,267	8,548	82	763	546
Workers' compensation benefits	.....	618,515	.....	.....	.....
Lottery prize payments	.....	.....	.....	82,724	.....
Depreciation and amortization	849	895	127	476	98
Miscellaneous expenses	1,214	13,035	4	129	30
Total Operating Expenses	42,655	698,855	2,101	108,677	3,941
Operating Income (Loss)	48,336	(103,748)	4,900	72,560	(1,795)
NONOPERATING REVENUES (EXPENSES):					
Other revenue (expenses)	7	642	.....	.....	(26)
Interest income	774	289,634	6,120	139	33
Interest expense	.....	.....	(8,271)	(17)	.....
Liquor profits distributed to local governments	(19,750)	.....	.....	.....	.....
Total Nonoperating Revenues (Expenses)	(18,969)	290,276	(2,151)	122	7
Income (Loss) Before Operating Transfers	29,367	186,528	2,749	72,682	(1,788)
Net operating transfers in (out)	(25,101)	3,761	0	(72,092)	286
Net Income (Loss) Before Extraordinary Item	4,266	190,289	2,749	590	(1,502)
Extraordinary item: Bond refunding loss	.....	.....	.....	.....	.....
Net Income (Loss)	4,266	190,289	2,749	590	(1,502)
Beginning fund equity (deficit) previously reported	19,192	(173,952)	10,392	1,059	5,175
Fund equity restatement	.....	36,624	.....	634	.....
Beginning fund equity (deficit) restated	19,192	(137,328)	10,392	1,693	5,175
Equity transfers	.....	.....	(4)	.....	3
Unrealized gain on investments	.....	143,061	.....	.....	.....
Contributions of capital	.....	.....	.....	.....	.....
Ending Fund Equity	$ 23,458	$ 196,022	$ 13,137	$ 2,283	$ 3,676

NATURAL RESOURCES	TRANSPORTATION	HIGHER EDUCATION	OTHER ACTIVITIES	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
$ 0	$ 0	$ 33,064	$ 350	$ 262,093	$ 258,846
0	0	22,908	268	188,863	184,074
0	0	10,156	82	73,230	74,772
.....	50,920	186,928	5,001	242,948	139,954
.....	.....	.....	.....	588,927	530,875
.....	.....	.....	.....	181,184	156,624
10,005	23,395	27,181	1,053	104,914	105,737
10,005	74,315	224,265	6,136	1,191,203	1,007,962
1,612	40,594	81,075	1,665	191,281	150,521
22	236	970	16	14,741	14,850
2,292	23,256	86,841	3,334	155,866	111,511
23	430	4,315	67	6,787	7,000
478	9,433	18,377	363	44,857	36,030
.....	.....	.....	.....	618,515	849,177
.....	.....	.....	.....	82,724	76,990
.....	8,307	14,499	282	25,533	17,217
732	175	4,668	7	19,994	20,714
5,159	82,431	210,745	5,734	1,160,298	1,284,010
4,846	(8,116)	13,520	402	30,905	(276,048)
(562)	.....	1,957	6	2,024	298
1,325	562	7,928	84	306,599	263,604
(1)	(783)	(16,063)	(20)	(25,155)	(18,697)
.....	.....	.....	.....	(19,750)	(23,649)
762	(221)	(6,178)	70	263,718	221,556
5,608	(8,337)	7,342	472	294,623	(54,492)
0	(442)	(451)	(306)	(94,345)	(101,188)
5,608	(8,779)	6,891	166	200,278	(155,680)
.....	.....	(7,734)	.....	(7,734)	.....
5,608	(8,779)	(843)	166	192,544	(155,680)
16,892	245,530	142,690	2,107	269,085	376,198
642	(7,437)	96,268	.....	126,731	30,856
17,534	238,093	238,958	2,107	395,816	407,054
.....	.....	641	.....	640	2,799
.....	.....	.....	.....	143,061	.....
.....	9,794	.....	.....	9,794	14,912
$ 23,142	$ 239,108	$ 238,756	$ 2,273	$ 741,855	$ 269,085

STATE OF WASHINGTON
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	LIQUOR	WORKERS' COMPENSATION	CONVENTION AND TRADE	LOTTERY	INSTITUTIONAL
SOURCES OF WORKING CAPITAL:					
OPERATIONS:					
Net income (loss)	$ 4,266	$ 190,289	$ 2,749	$ 590	$ (1,502)
Items not requiring working capital in the current period:					
Depreciation and amortization	849	895	127	476	98
Working Capital Provided by Operations Before Extraordinary Item and Changes	5,115	191,184	2,876	1,066	(1,404)
Extraordinary loss					
Change in accounting principle		41,407			
Fund reclassifications					
Prior period adjustments		(4,783)		634	
Working Capital Provided by Operations, Extraordinary Item, and Changes	5,115	227,808	2,876	1,700	(1,404)
OTHER SOURCES:					
Decrease in investments, noncurrent					
Decrease in fixed assets	4	16		6	39
Increase in long-term obligations		26,044	1,234	15,038	
Increase in long-term workers' comp		191,394			
Unrealized gain on investments		143,061			
Transfers of fund equity					3
Contributions of capital					
Total Sources of Working Capital	5,119	588,323	4,110	16,744	(1,362)
USES OF WORKING CAPITAL:					
Increase in investments, noncurrent		551,090		16,390	
Increase in fixed assets	768	4,506	39,153	355	209
Increase in other assets			1,190		
Decrease in long-term obligations		19,989		153	1
Decrease in long-term workers' comp					
Transfers of fund equity			4		
Total Uses of Working Capital	768	575,585	40,347	16,898	210
Net Increase (Decrease) in Working Capital	$ 4,351	$ 12,738	$ (36,237)	$ (154)	$ (1,572)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and investments	$ (1,670)	$ 8,675	$ (27,802)	$ 1,395	$ 34
Receivables (net of allowance)	536	64,515	47	94	(735)
Due from other funds	(385)	(1,114)	(2,090)	(126)	(458)
Due from other governments	(17)	112			(56)
Inventories	5,199	30		260	136
Prepaid expenses	(2)			255	
Accounts payable	988	(284)	(1,169)	(61)	(774)
Contracts and retainages payable	(266)	(23,351)		(9)	
Accrued liabilities	(160)	1,639	(5,223)	(3,077)	(1)
Matured bonds and interest payable					
Due to other funds		(12,693)		1,115	161
Deferred revenue	128	(4)			121
Current workers' compensation benefits payable		(24,787)			
Net Increase (Decrease) in Working Capital	$ 4,351	$ 12,738	$ (36,237)	$ (154)	$ (1,572)

NATURAL RESOURCES	TRANSPORTATION	HIGHER EDUCATION	OTHER ACTIVITIES	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
$ 5,608	$ (8,779)	$ 6,891	$ 166	$ 200,278	$ (155,680)
.....	8,307	14,499	282	25,533	17,217
5,608	(472)	21,390	448	225,811	(138,463)
.....	.....	(7,734)	.....	(7,734)	.....
.....	.....	.....	.....	41,407	.....
.....	.....	66,921	.....	66,921	.....
642	(7,437)	29,347	.....	18,403	(475)
6,250	(7,909)	109,924	448	344,808	(138,938)
.....	.....	3,839	.....	3,839	435
266	132	2,495	59	3,017	4,762
.....	.....	86,230	105	128,651	408,721
.....	.....	.....	.....	191,394	.....
.....	.....	.....	.....	143,061	.....
.....	.....	641	.....	644	2,799
.....	9,794	.....	.....	9,794	14,912
6,516	2,017	203,129	612	825,208	292,691
.....	.....	.....	.....	567,480	254,283
24	9,672	157,176	152	212,015	41,315
351	25	710	.....	2,276	4,022
1224	1,326	12,902	472	36,067	15,843
.....	385	.....	.....	385	.....
.....	.....	.....	.....	4	.....
1,599	11,408	170,788	624	818,227	315,463
$ 4,917	$ (9,391)	$ 32,341	$ (12)	$ 6,981	$ (22,772)
$ 5,062	$ 480	$ 5,427	$ 542	$ (7,857)	$ (17,462)
521	86	21,305	(80)	86,289	49,941
(648)	(318)	17,116	(8)	11,969	4,485
239	.....	(71)	.....	207	2,226
.....	821	1,553	(48)	7,951	860
.....	(248)	377	(25)	357	491
58	1,186	(349)	(88)	(493)	(3,381)
(721)	.....	(3,344)	(392)	(28,083)	(26)
65	(31)	(5,696)	56	(12,428)	(23,519)
.....	(76)	(1,291)	.....	(1,367)	222
50	(11,291)	(1,710)	31	(24,337)	12,498
291	.....	(976)	.....	(440)	7,755
.....	.....	.....	.....	(24,787)	(56,862)
$ 4,917	$ (9,391)	$ 32,341	$ (12)	$ 6,981	$ (22,772)



INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis. A brief description of each fund follows:

Central Services - Used by the Secretary of State for the operation of the Archives and Records Management Division. Used by the Attorney General for legal services provided to State agencies. Used by the Department of General Administration for the operation and management of real estate, and for the purpose of providing facilities and services to other agencies. Used by the State Auditor for the auditing of public accounts and State agencies. Used by the Department of Personnel for the administration of the State civil service law. Used by the Office of Administrative Hearings for services provided to State agencies.

Central Stores - Used by the Department of General Administration for the purchase and subsequent sale to State agencies of supplies, equipment, and services handled or rented through central stores, and for the costs to operate central stores.

Equipment Revolving - Used by the Department of Transportation for the repair, replacement, purchase, and operation of equipment in the administration, maintenance, and construction of highways and highway facilities, and for the operation of an automobile pool of State vehicles. Used by the Department of Natural Resources for the purchase, repair, and maintenance of equipment, machinery, and supplies.

Data Processing Revolving - Used for distributing and apportioning the full cost of data processing and data communication services to users, and for the payment of other costs incidental to the acquisition, operation, and administration of acquired data processing services, supplies, and equipment.

Printing Services - Used by the Department of Printing for the operation of the State printing plant.

Motor Transport - Used by the Department of General Administration for operating the Motor Transport Division, including the cost of replacing vehicles.

Higher Education Revolving - Used by the colleges and universities for stores, data processing, educational, and operational printing and duplication, motor pool, and other support service activities.

Miscellaneous Services - Used by the Department of General Administration to acquire federal surplus property for resale or donation to eligible parties.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
ASSETS					
CURRENT ASSETS:					
Cash and pooled investments	$ 4,253	$ 1,764	$ 15,686	$ 9,994	$ 339
Investments	.....	.....	.....	.....	1,650
Other receivables (net of allowance)	1,745	5,281	726	6,393	2,086
Due from other funds	741	153	4,756	719	.....
Due from other governments	369	1,217	23	459	.....
Inventories	.....	1,508	2,657	1,205	3,488
Prepaid expenses	.....	10	125	.....	.....
Deferred charges and other assets	.....	211	.....	363	.....
TOTAL CURRENT ASSETS	7,108	10,144	23,973	19,133	7,563
FIXED ASSETS:					
Land	1,277	6	.....	.....	.....
Buildings	1,237	95	59	.....	.....
Other improvements and miscellaneous	108	421	.....	2,064	239
Machinery and equipment	3,705	6,586	105,000	55,047	3,783
Accumulated depreciation	(1,398)	(1,777)	(53,972)	(25,797)	(1,651)
Total Fixed Assets	4,929	5,331	51,087	31,314	2,371
Total Assets	$ 12,037	$ 15,475	$ 75,060	$ 50,447	$ 9,934
LIABILITIES AND FUND EQUITY					
CURRENT LIABILITIES:					
Accounts payable	$ 913	$ 7,736	$ 484	$ 3,067	$ 1,488
Contracts and retainages payable	128	2,095	442	5,135	54
Accrued liabilities	3,465	336	1,229	1,582	390
Matured bonds payable	.....	.....	.....	.....	.....
Due to other funds	227	98	209	303	.....
Due to other governments	.....	24	.....	.....	.....
Deferred revenues	463	1,393	.....	.....	2,314
TOTAL CURRENT LIABILITIES	5,196	11,682	2,364	10,087	4,246
LONG-TERM LIABILITIES:					
Bonds payable	.....	.....	.....	.....	.....
Other long-term obligations	2,231	1,337	13	12,584	160
TOTAL LONG-TERM LIABILITIES	2,231	1,337	13	12,584	160
Total Liabilities	7,427	13,019	2,377	22,671	4,406
FUND EQUITY:					
Contributed capital	.....	416	17,591	2,665	.....
Retained earnings (deficit):					
Reserved	.....	.....	.....	.....	.....
Unreserved	4,610	2,040	55,092	25,111	5,528
Total Fund Equity	4,610	2,456	72,683	27,776	5,528
Total Liabilities and Fund Equity	$ 12,037	$ 15,475	$ 75,060	$ 50,447	$ 9,934

MOTOR TRANSPORT	HIGHER EDUC. REVOLVING	MISCELLANEOUS SERVICES	TOTALS JUNE 30, 1986	TOTALS JUNE 30, 1985
$ 3,854	$ 6,317	$ 282	$ 42,489	$ 36,153
.....	.....	.....	1,650	2,877
631	973	74	17,909	17,586
14	1,832	1	8,216	9,750
.....	.....	14	2,082	1,779
.....	8,025	3,187	20,070	16,379
.....	.....	.....	135	138
.....	.....	.....	574	.....
4,499	17,147	3,558	93,125	84,662
.....	.....	.....	1,283	321
.....	284	.....	1,675	2,619
.....	5	.....	2,837	2,401
7,641	29,624	19	211,405	183,350
(4,044)	(16,171)	(4)	(104,814)	(90,990)
3,597	13,742	15	112,386	97,701
$ 8,096	$ 30,889	$ 3,573	$ 205,511	$ 182,363
$ 48	$ 1,480	$ 1	$ 15,217	$ 17,069
.....	631	.....	8,485	4,473
51	2,663	43	9,759	8,216
.....	.....	.....	.....	45
6	165	26	1,034	2,181
.....	.....	.....	24	366
.....	43	.....	4,213	2,356
105	4,982	70	38,732	34,706
.....	.....	.....	.....	320
.....	2,112	.....	18,437	15,892
0	2,112	0	18,437	16,212
105	7,094	70	57,169	50,918
.....	397	100	21,169	20,838
.....	42	.....	42	124
7,991	23,356	3,403	127,131	110,483
7,991	23,795	3,503	148,342	131,445
$ 8,096	$ 30,889	$ 3,573	$ 205,511	$ 182,363

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
OPERATING REVENUES:					
Sales	$	$ 48,061	$ 3,399	$	$ 20,449
Less: Cost of goods sold		38,294	4,029		19,471
Gross profit (loss)		9,767	(630)		978
Charges for services	48,862	2	43,135	48,710	
Miscellaneous revenue	5,031	200	19	821	
Total Operating Revenues	53,893	9,969	42,524	49,531	978
OPERATING EXPENSES:					
Salaries and wages	29,375	2,834	8,532	12,252	
Personal services	1,249	153	56	366	
Goods and services	13,581	3,173	12,427	20,077	
Travel	873	51	79	171	
Employee benefits	6,764	776	2,191	2,992	
Lottery prize payments					
Depreciation and amortization	395	1,112	10,529	9,940	323
Miscellaneous expenses	172		93	7	
Total Operating Expenses	52,409	8,099	33,907	45,805	323
Operating Income (Loss)	1,484	1,870	8,617	3,726	655
NONOPERATING REVENUES (EXPENSES):					
Other revenue (expenses)	53	(3,369)	350	(543)	
Interest income	476	158	1,104	565	
Interest expense	(303)	(187)	(66)	(1,145)	
Total Nonoperating Revenues (Expenses)	226	(3,398)	1,388	(1,123)	0
Income Before Operating Transfers	1,710	(1,528)	10,005	2,603	655
Net operating transfers in (out)	(564)	0	0	(20)	0
Net Income (Loss)	1,146	(1,528)	10,005	2,583	655
Beginning fund equity previously reported	2,899	7,311	59,742	25,182	4,873
Fund equity restatement	565	(3,327)	1,930		
Beginning fund equity restated	3,464	3,984	61,672	25,182	4,873
Equity transfers					
Contributions of capital			1,006	11	
Ending Fund Equity	$ 4,610	$ 2,456	$ 72,683	$ 27,776	$ 5,528

MOTOR TRANSPORT	HIGHER EDUC. REVOLVING	MISCELLANEOUS SERVICES	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
$.....	$ 29,268	$.....	$ 101,177	$ 93,924
.....	24,493	.....	86,287	82,338
.....	4,775	.....	14,890	11,586
3,988	55,946	644	201,287	186,050
3	914	1,236	8,224	5,460
3,991	61,635	1,880	224,401	203,096
456	20,543	426	74,418	68,782
.....	187	1	2,012	1,373
1,786	32,306	855	84,205	83,138
2	381	39	1,596	1,666
124	4,721	117	17,685	15,507
.....	.....	.....	.....	1,151
1,043	3,042	3	26,387	19,564
1	289	538	1,100	591
3,412	61,469	1,979	207,403	191,772
579	166	(99)	16,998	11,324
42	(17)	3,188	(296)	1,122
.....	720	19	3,042	4,638
.....	(667)	.....	(2,368)	(1,381)
42	36	3,207	378	4,379
621	202	3,108	17,376	15,703
(11)	(180)	0	(775)	(1,411)
610	22	3,108	16,601	14,292
7,381	23,662	395	131,445	130,379
.....	1,709	.....	877	(10,305)
7,381	25,371	395	132,322	120,074
.....	(913)	.....	(913)	(2,931)
.....	(685)	.....	332	10
$ 7,991	$ 23,795	$ 3,503	$ 148,342	$ 131,445

STATE OF WASHINGTON
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	CENTRAL SERVICES	CENTRAL STORES	EQUIPMENT REVOLVING	DATA PROCESS. REVOLVING	PRINTING SERVICES
SOURCES OF WORKING CAPITAL:					
OPERATIONS:					
Net income (loss)	$ 1,146	$ (1,528)	$ 10,005	$ 2,583	$ 655
Items not requiring working capital in the current period:					
Depreciation	395	1,112	10,529	9,940	323
Working Capital Provided by Operations Before Changes	1,541	(416)	20,534	12,523	978
Prior period adjustments	565	(3,327)	1,930	.....	.....
Working Capital Provided by Operations and Changes	2,106	(3,743)	22,464	12,523	978
OTHER SOURCES:					
Decrease in fixed assets	.....	5,457	377	1,335	92
Increase in long-term obligations	96	1,337	13	4,948	.....
Contributions of capital	.....	.....	1,006	11	.....
Total Sources of Working Capital	2,202	3,051	23,860	18,817	1,070
USES OF WORKING CAPITAL:					
Increase in fixed assets	1,015	5,975	21,320	11,564	805
Decrease in long-term obligations	356	.....	.....	5,178	22
Transfers of fund equity	.....	.....	.....	.....	.....
Total Uses of Working Capital	1,371	5,975	21,320	16,742	827
Net Increase (Decrease) in Working Capital	$ 831	$ (2,924)	$ 2,540	$ 2,075	$ 243
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and investments	$ 226	$ (360)	$ 1,258	$ 5,576	$ (120)
Receivables (net of allowance)	138	484	560	(814)	296
Due from other funds	(125)	112	2	(334)	.....
Due from other governments	(670)	1,007	12	(25)	.....
Inventories	.....	(811)	(166)	(122)	1,465
Prepaid expenses	.....	(24)	21	.....	.....
Deferred charges and other assets	.....	211	.....	363	.....
Accounts payable	2,074	(1,154)	1,406	(1,242)	(483)
Contracts and retainages payable	(9)	(2,095)	(442)	(1,133)	71
Accrued liabilities	(1,351)	(54)	(215)	7	(24)
Matured bonds and interest payable	.....	.....	.....	.....	.....
Due to other funds	1,011	188	42	(201)	.....
Due to other governments	.....	80	.....	.....	.....
Deferred revenue	(463)	(508)	62	.....	(962)
Net Increase (Decrease) in Working Capital	$ 831	$ (2,924)	$ 2,540	$ 2,075	$ 243

MOTOR TRANSPORT	HIGHER EDUC. REVOLVING	MISCELLANEOUS SERVICES	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
$ 610	$ 22	$ 3,108	$ 16,601	$ 14,292
1,043	3,042	3	26,387	19,564
1,653	3,064	3,111	42,988	33,856
.....	1,709	.....	877	(10,651)
1,653	4,773	3,111	43,865	23,205
79	570	.....	7,910	2,774
.....	2,565	.....	8,959	15,260
.....	(685)	.....	332	10
1,732	7,223	3,111	61,066	41,249
1,212	7,081	10	48,982	46,804
.....	1,178	.....	6,734	8,820
.....	913	.....	913	2,931
1,212	9,172	10	56,629	58,555
$ 520	$ (1,949)	$ 3,101	$ 4,437	$ (17,306)
$ 410	$ (1,425)	$ (456)	$ 5,109	$ (16,033)
132	(503)	30	323	213
(99)	(1,074)	(16)	(1,534)	(5,652)
.....	(5)	(16)	303	59
.....	138	3,187	3,691	743
.....	.....	.....	(3)	(2)
.....	.....	.....	574	.....
72	1,070	109	1,852	(1,170)
.....	(404)	.....	(4,012)	1,091
(30)	122	2	(1,543)	(1,294)
.....	45	.....	45	(5)
35	73	(1)	1,147	3,039
.....	.....	262	342	(366)
.....	14	.....	(1,857)	2,071
$ 520	$ (1,949)	$ 3,101	$ 4,437	$ (17,306)

TRUST AND AGENCY FUNDS

EXPENDABLE TRUST FUNDS

Expendable Trust Funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the funds' designated operations. A brief description of each fund follows:

Human Resources - Used by the Employment Security Department for the deposit of funds requisitioned from the federal unemployment trust fund and for the payment of all unemployment benefits. Used by the Superintendent of Public Instruction to receive and allocate 50 percent of the federal forest funds received by the State in accordance with Title 16, Section 500, U.S.C. Used by the Department of Labor and Industries for additional payments to prior pensioners of survivors of deceased injured workers and permanently and totally disabled workers. Used by the Department of Veterans' Affairs for the residents' share of financial support for the Veterans' Home and the Soldiers' Home.

Higher Education - Used by colleges and universities for gifts in the support of fellowships and scholarships.

Miscellaneous - Used by the Department of Revenue for the administration of the abandoned property laws. Used for claims against the State arising out of tortious conduct for whom the defense of claims was authorized under statute.

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds account for assets held by the State in a trustee capacity where only income derived from the principal may be expended in the course of the funds' designated operations. The principal must be preserved intact. A brief description of each fund follows:

Higher Education - To account for the principal derived from the sale of lands, and for gifts and bequests which the donors have specified must remain intact. Interest earned is used for the benefit of certain colleges and universities.

Miscellaneous - To account for the principal derived from the sale of property. Interest earned is used for the benefit of the common schools.

PENSION TRUST FUNDS

Pension Trust Funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various State public employee retirement systems. See Note 5 - Retirement Systems, page 50, for a description of pension trust funds.

AGENCY FUNDS

Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units, other organizations, or individuals. A brief description of each fund follows:

Payroll - Clearing account used to process payroll for agencies.

Suspense - Accounts for third parties' moneys of which the final disposition is not yet known, for state agency remittances of collected moneys not accompanied by a statement designating source and fund, and for State timber sales bid deposits for which final disposition is pending.

Miscellaneous - Used by the Department of Revenue to receive and allocate local sales and use taxes, and taxes imposed by local governments. Used by the Department of Licensing to collect and distribute city motor vehicle fuel tax imposed by various cities and towns. Used by the State Treasurer to accumulate and allocate interest earned among the various accounts and funds from which such investments and investment deposits were made, and for all trust funds which are in the custody of the State Treasurer. Used by the Department of Social and Health Services to hold personal funds of juveniles and adults in the charge of various State institutions, and for the collection and disbursement of child support payments for clients. Used by the Employment Security Department as a clearing account for employer and employee O.A.S.I. contributions. Also used by the Deferred Compensation Committee to account for assets under the State's Deferred Compensation Plan.

STATE OF WASHINGTON
COMBINING BALANCE SHEET
TRUST AND AGENCY FUNDS
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	EXPENDABLE TRUST			NONEXPENDABLE TRUST		PENSION TRUST	
	HUMAN RESOURCES	HIGHER EDUCATION	MISC.	HIGHER EDUCATION	MISC.	PUBLIC EMPLOYEES'	TEACHERS'
ASSETS							
Cash and pooled investments	$ 260,690	$ 23,385	$ 4,346	$ 12,415	$ 825	$ 7,151	$ 12,753
Investments	2,460	3,572	951	316,943	90,615	3,915,306	2,701,569
Taxes receivable (net of allowance)	13,754	.....	.....	.....	.....	.....	.....
Other receivables (net of allowance)	125,301	72,615	5,305	4,804	1,888	76,573	39,575
Due from other funds	15,687	1,012	245	7	.....	716	527
Due from other governments	7,865	941	3,993	.....	.....	.....	.....
Inventories	36	.....	65	.....	.....	.....	.....
Deferred charges and other assets	.....	.....	.....	4,950	2,751	.....	.....
Total Assets	$ 425,793	$ 101,525	$ 14,905	$ 339,119	$ 96,079	$ 3,999,746	$2,754,424
LIABILITIES AND FUND EQUITY							
LIABILITIES:							
Accounts payable	$ 368	$ 281	$ 3	$.....	$.....	$ 2,010	$ 2,053
Contracts and retainages payable	.....	100	.....	3,821	106	.....	.....
Accrued liabilities	.....	251	12	4,027	.....	.....	.....
Due to other funds	1,083	900	639	171	.....	1,432	518
Due to other governments	10,967	124	.....	.....	.....	.....	.....
Deferred revenues	35,016	125	4,658	5,010	2,751	179	238
Current workers' comp benefits payable	90,078	.....	.....	.....	.....	.....	.....
Other long-term obligations	.....	.....	.....	7,119	.....	.....	.....
Total Liabilities	137,512	1,781	5,312	20,148	2,857	3,621	2,809
FUND EQUITY:							
Unrealized gain on investments						762,537	508,807
Fund balances (deficit):							
Reserved for:							
Encumbrances	.....	153	9	.....	.....	.....	.....
Inventories	36	.....	65	.....	.....	.....	.....
Nonexpendable trust corpus	.....	.....	.....	318,971	93,222	.....	.....
Unemployment compensation	234,207	.....	.....	.....	.....	.....	.....
Retirement systems	.....	.....	.....	.....	.....	3,233,588	2,242,808
Other specific purposes	2,644	69,148	1,901	.....	.....	.....	.....
Unreserved:							
Designated for other specific purposes	128	9	18	.....	.....	.....	.....
Undesignated	51,266	30,434	7,600	.....	.....	.....	.....
Total Fund Equity	288,281	99,744	9,593	318,971	93,222	3,996,125	2,751,615
Total Liabilities and Fund Equity	$ 425,793	$ 101,525	$ 14,905	$ 339,119	$ 96,079	$ 3,999,746	$2,754,424

PENSION TRUST(con't)				AGENCY			TOTALS	
L.E.O.F.F.	STATE PATROL	JUDICIAL	VOLUNTEER FIREMEN	PAYROLL	SUSPENSE	MISC.	JUNE 30, 1986	JUNE 30, 1985
$ (119)	$ 117	$ 415	$ (78)	$ 21,641	$ 23,083	$ 97,456	$ 464,080	$ 323,710
1,594,743	137,416	930	34,137	.....	.....	60,456	8,859,098	6,320,800
.....	.....	.....	.....	.....	.....	.....	13,754	10,901
15,232	2,751	119	785	1,288	2,850	73,344	422,430	359,023
207	19	37	17	3	497	45,652	64,626	31,145
.....	.....	.....	.....	.....	45	3,813	16,657	12,844
.....	.....	.....	.....	.....	.....	.....	101	64
.....	.....	.....	.....	.....	2,548	22,881	33,130	58
$1,610,063	$ 140,303	$ 1,501	$ 34,861	$ 22,932	$ 29,023	$ 303,602	$ 9,873,876	$ 7,058,545
$ 401	$ 54	$ 33	$ 13	$ 20	$ 3,562	$ 59,184	$ 67,982	$ 88,392
.....	.....	.....	.....	.....	8,333	1,076	13,436	10,720
.....	.....	.....	3	22,817	3,492	25,246	55,848	71,310
162	.....	.....	.....	95	9,282	63,607	77,889	125,041
.....	.....	.....	.....	.....	4,354	61,204	76,649	48,682
28	.....	.....	.....	.....	.....	.....	48,005	59,845
.....	.....	.....	.....	.....	.....	.....	90,078	6,814
.....	.....	.....	.....	.....	.....	93,285	100,404	564
591	54	33	16	22,932	29,023	303,602	530,291	411,368
276,038	10,901	80	2,139				1,560,502	.....
.....	.....	.....	.....	.....	.....	.....	162	59
.....	.....	.....	.....	.....	.....	.....	101	64
.....	.....	.....	.....	.....	.....	.....	412,193	370,139
.....	.....	.....	.....	.....	.....	.....	234,207	114,820
1,333,434	129,348	1,388	32,706	.....	.....	.....	6,973,272	6,017,134
.....	.....	.....	.....	.....	.....	.....	73,693	99,109
.....	.....	.....	.....	.....	.....	.....	155	123
.....	.....	.....	.....	.....	.....	.....	89,300	45,729
1,609,472	140,249	1,468	34,845	0	0	0	9,343,585	6,647,177
$1,610,063	$ 140,303	$ 1,501	$ 34,861	$ 22,932	$ 29,023	$ 303,602	$ 9,873,876	$ 7,058,545

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
EXPENDABLE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	HUMAN RESOURCES	HIGHER EDUCATION	MISC.	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
REVENUES:					
Federal grants-in-aid	$ 9,632	$ 45,408	$ 21,372	$ 76,412	$ 129,135
Charges for services	12	4,474	21	4,507	4,512
Unemployment comp. contributions	506,570	.....	.....	506,570	450,009
Workers' compensation contributions	95,821	.....	.....	95,821	109,261
Miscellaneous revenue	24,156	17,038	35,647	76,841	59,179
Total Revenues	636,191	66,920	57,040	760,151	752,096
EXPENDITURES:					
Current:					
General government	.....	.....	26,093	26,093	8,627
Human resources	496,686	.....	.....	496,686	569,986
Natural resources and recreation	.....	.....	390	390	972
Education	.....	63,666	156	63,822	65,145
Capital outlays	13	309	119	441	486
Debt service:					
Principal	0	0	0	0	0
Interest	0	344	2	346	61
Total Expenditures	496,699	64,319	26,760	587,778	645,277
Excess of Revenues Over (Under) Expenditures	139,492	2,601	30,280	172,373	106,819
OTHER FINANCING SOURCES (USES):					
Operating transfers in (out)	(8,159)	836	(1,041)	(8,364)	(3,027)
Capital lease acquisitions	.....	1	.....	1	31
Total Other Financing Sources(Uses)	(8,159)	837	(1,041)	(8,363)	(2,996)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	131,333	3,438	29,239	164,010	103,823
Fund balance as previously reported (deficit)	172,234	81,039	6,631	259,904	158,639
Fund balance restatement	(15,285)	15,289	(26,278)	(26,274)	1,189
Fund balance as restated (deficit)	156,949	96,328	(19,647)	233,630	159,828
Equity transfers	(3)	(22)	.....	(25)	(290)
Changes in reserves	2	.....	1	3	(3,457)
Ending Fund Balance (Deficit)	$ 288,281	$ 99,744	$ 9,593	$ 397,618	$ 259,904

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
NONEXPENDABLE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	HIGHER EDUCATION	MISC.	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
OPERATING REVENUES:				
Charges for services	$ 42	$	$ 42	$ 52
Earnings on investments	20,391	7,433	27,824	11,390
Miscellaneous revenue	18,350	874	19,224	17,198
Total Operating Revenues	38,783	8,307	47,090	28,640
NONOPERATING REVENUES	3	124	127	158
Income Before Operating Transfers	38,786	8,431	47,217	28,798
Net operating transfers in (out)	(1,586)	(8)	(1,594)	(2,876)
Net Income	37,200	8,423	45,623	25,922
Beginning fund equity previously reported	284,070	86,069	370,139	429,166
Fund equity restatement	(2,301)	(1,270)	(3,571)	(84,949)
Beginning fund equity restated	281,769	84,799	366,568	344,217
Equity transfers	2		2	
Contributions of capital				
Ending Fund Equity	$ 318,971	$ 93,222	$ 412,193	$ 370,139

STATE OF WASHINGTON
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
NONEXPENDABLE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	HIGHER EDUCATION	MISCELLANEOUS	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	TOTALS FOR THE YEAR ENDED JUNE 30, 1985
SOURCES OF WORKING CAPITAL:				
Working Capital Provided by Operations before Changes	$ 37,200	$ 8,423	$ 45,623	$ 25,922
Prior period adjustments	(2,301)	(1,270)	(3,571)	(27,062)
Working Capital Provided by Operations and Changes	34,899	7,153	42,052	(1,140)
OTHER SOURCES:				
Increase in long-term obligations	6,616	.....	6,616	176
Transfers of fund equity	2	.....	2	.....
Total Sources of Working Capital	41,517	7,153	48,670	(964)
USES OF WORKING CAPITAL:				
Increase in investments, noncurrent	32,113	5,235	37,348	23,843
Increase in other assets	4,905	2,751	7,656	.....
Decrease in long-term obligations	4,607	28	4,635	734
Total Uses of Working Capital	41,625	8,014	49,639	24,577
Net Increase (Decrease) in Working Capital	$ (108)	$ (861)	$ (969)	$ (25,541)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:				
Cash and investments	$ 5,298	$ 110	$ 5,408	$ (24,989)
Receivables (net of allowance)	4,347	1,888	6,235	261
Due from other funds	(1,771)	(2)	(1,773)	1,768
Contracts and retainages payable	(687)	(106)	(793)	.....
Accrued liabilities	(3,867)	.....	(3,867)	(984)
Due to other funds	(171)	.....	(171)	145
Deferred revenue	(3,257)	(2,751)	(6,008)	(1,742)
Net Increase (Decrease) in Working Capital	$ (108)	$ (861)	$ (969)	$ (25,541)

STATE OF WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL
OPERATING REVENUES:					
Earnings on investments	$ 304,541	$ 233,944	$ 132,337	$ 14,522	$ 164
Pension contributions	363,791	234,839	180,278	7,127	1,364
Miscellaneous revenue	139	113	320	.....	1
Total Operating Revenues	668,471	468,896	312,935	21,649	1,529
OPERATING EXPENSES:					
Salaries and wages	.....	.....	.....	.....	.....
Personal services	12	2	1	.....	.....
Goods and services	4,325	2,765	1,687	217	3
Travel	.....	.....	.....	.....	.....
Employee benefits	.....	.....	.....	.....	.....
Pension benefit payments	245,115	180,798	75,823	1,924	2,257
Total Operating Expenses	249,452	183,565	77,511	2,141	2,260
Operating Income	419,019	285,331	235,424	19,508	(731)
NONOPERATING REVENUES	121	93	21	0	0
Income (Loss) Before Operating Transfers	419,140	285,424	235,445	19,508	(731)
Net operating transfers in (out)	(291)	(189)	(102)	(10)	.....
Net Income	418,849	285,235	235,343	19,498	(731)
Beginning fund equity previously reported	2,812,619	1,966,014	1,098,092	109,850	2,133
Fund equity restatement	322,855	164,821	102,577	(155)	(22)
Beginning fund equity restated	3,135,474	2,130,835	1,200,669	109,695	2,111
Unrealized gain on investments	441,802	335,545	173,460	11,056	88
Ending Fund Equity	$ 3,996,125	$ 2,751,615	$ 1,609,472	$ 140,249	$ 1,468

VOLUNTEER FIREMEN	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	JUNE 30, 1985
$ 4,860	$ 690,368	$ 547,759
396	787,795	702,882
1,277	1,850	2,202
6,533	1,480,013	1,252,843
55	55	47
.....	15	7,681
33	9,030	490
2	2	2
14	14	9
2,164	508,081	460,975
2,268	517,197	469,204
4,265	962,816	783,639
18	253	48
4,283	963,069	783,687
(3)	(595)	(464)
4,280	962,474	783,223
28,426	6,017,134	5,445,972
1,038	591,114	(212,061)
29,464	6,608,248	5,233,911
1,101	963,052	.....
$ 34,845	$ 8,533,774	$ 6,017,134

STATE OF WASHINGTON
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	PUBLIC EMPLOYEES'	TEACHERS'	L.E.O.F.F.	STATE PATROL	JUDICIAL
SOURCES OF WORKING CAPITAL:					
OPERATIONS:					
Working Capital Provided by Operations Before Changes	$ 418,849	$ 285,235	$ 235,343	$ 19,498	$ (731)
Change in accounting principle	320,735	173,262	102,577	(155)	(7)
Prior period adjustments	2,120	(8,441)	.....	.....	(15)
Working Capital Provided by Operations and Changes	741,704	450,056	337,920	19,343	(753)
OTHER SOURCES:					
Decrease in investments, noncurrent	.....	.....	.....	.....	435
Unrealized gain on investments	441,802	335,545	173,460	11,056	88
Total Sources of Working Capital	1,183,506	785,601	511,380	30,399	(230)
USES OF WORKING CAPITAL:					
Increase in investments, noncurrent	1,166,241	771,766	508,981	27,534	.....
Increase in other assets	.....	.....	.....	.....	.....
Total Uses of Working Capital	1,166,241	771,766	508,981	27,534	0
Net Increase (Decrease) in Working Capital	$ 17,265	$ 13,835	$ 2,399	$ 2,865	$ (230)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash and investments	$ (1,349)	$ 9,873	$ (1,978)	$ (211)	$ (201)
Receivables (net of allowance)	17,837	4,098	3,983	1,009	(6)
Due from other funds	(83)	148	(18)	(6)	(22)
Accounts payable	715	227	367	2,073	(1)
Accrued liabilities	.....	.....	.....	.....	.....
Due to other funds	145	(510)	45	.....	.....
Deferred revenue	.....	(1)	.....	.....	.....
Net Increase (Decrease) in Working Capital	$ 17,265	$ 13,835	$ 2,399	$ 2,865	$ (230)

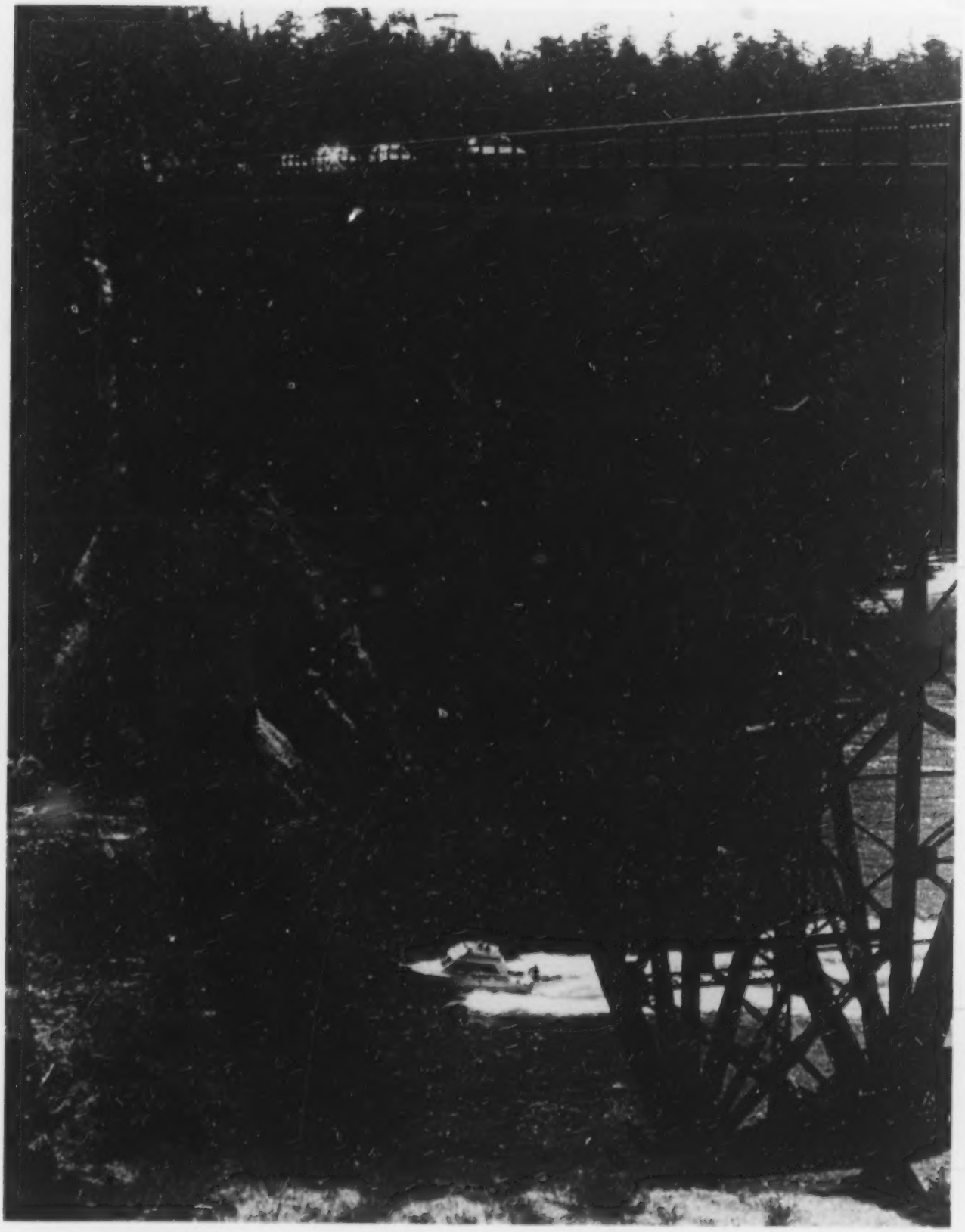
VOLUNTEER FIREMEN	TOTALS FOR THE YEAR ENDED JUNE 30, 1986	JUNE 30, 1985
$ 4,280	$ 962,474	$ 783,223
1,038	597,450	.....
.....	(6,336)	45,197
5,318	1,553,588	828,420
.....	435	.....
1,101	963,052	.....
6,419	2,517,075	828,420
5,794	2,480,316	781,345
.....	0	607
5,794	2,480,316	781,952
$ 625	$ 36,759	$ 46,468
$ (157)	$ 5,977	$ 2,974
785	27,706	48,263
7	26	463
(9)	3,372	(3,952)
(3)	(3)	.....
2	(318)	(835)
.....	(1)	(445)
$ 625	$ 36,759	$ 46,468

STATE OF WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 1985	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1986
PAYROLL FUND				
ASSETS:				
Cash and cash equivalents	$ 17,697	$ 754,714	$ 750,770	$ 21,641
Other receivables (net of allowance)	1,287	1	0	1,288
Due from other funds	102	5	104	3
Total Assets	$ 19,086	$ 754,720	$ 750,874	$ 22,932
LIABILITIES:				
Accounts payable	$ 21	$ 22	$ 23	$ 20
Accrued liabilities	18,967	754,657	750,807	22,817
Due to other funds	95	95	95	95
Deferred revenues	3	0	3	0
Total Liabilities	$ 19,086	$ 754,774	$ 750,928	$ 22,932
SUSPENSE FUND				
ASSETS:				
Cash and cash equivalents	$ 19,456	$ 101,927	$ 98,300	$ 23,083
Investments	0	0	0	0
Other receivables (net of allowance)	33,429	28,425	59,004	2,850
Due from other funds	4,730	497	4,730	497
Due from other governments	16	133	104	45
Deferred Charges and other assets	0	17,567	15,019	2,548
Total Assets	$ 57,631	$ 148,549	$ 177,157	$ 29,023
LIABILITIES:				
Accounts payable	$ 3,418	$ 2,851	$ 2,707	$ 3,562
Accrued liabilities	4,704	5,696	6,911	3,489
Due to other funds	41,292	107,980	139,990	9,282
Due to other governments	5,365	4,011	5,022	4,354
Deferred revenues	6	125	129	2
Deposits and retainages payable	2,846	27,647	22,159	8,334
Total Liabilities	$ 57,631	$ 148,310	$ 176,918	$ 29,023

STATE OF WASHINGTON
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

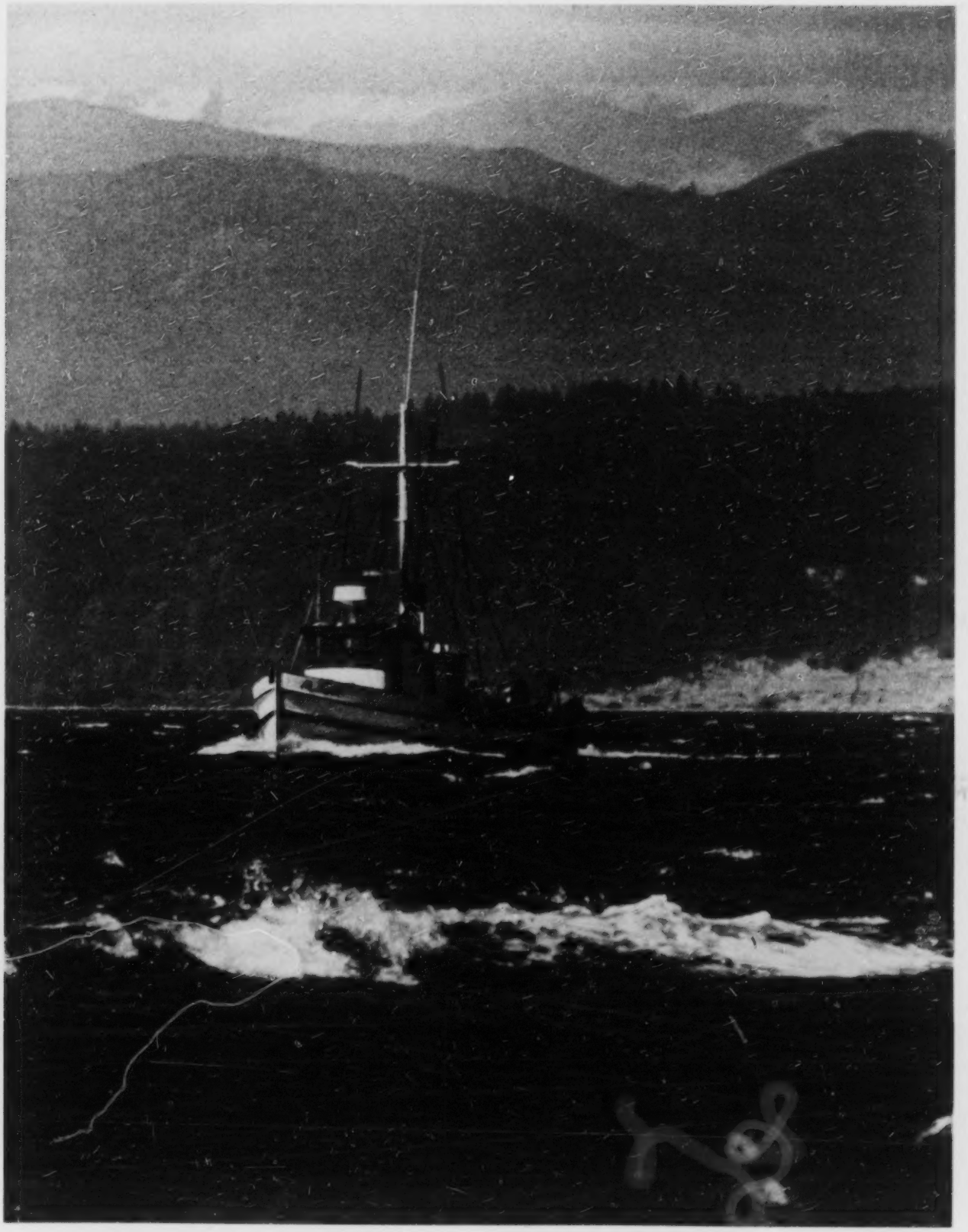
	BALANCE JULY 1, 1985	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 1986
MISCELLANEOUS FUND				
ASSETS:				
Cash and cash equivalents	$ 106,230	$ 2,615,582	$ 2,624,356	$ 97,456
Investments	6,494	59,205	5,243	60,456
Other receivables (net of allowance)	102,251	138,550	167,457	73,344
Due from other funds	19,498	45,554	19,400	45,652
Due from other governments	2,803	1,010	0	3,813
Deferred charges and other assets	13	58,137	35,269	22,881
Total Assets	$ 237,289	$ 2,918,038	$ 2,851,725	$ 303,602
LIABILITIES:				
Accounts payable	$ 76,276	$ 61,604	$ 78,696	$ 59,184
Contracts payable				
Accrued liabilities	44,237	24,106	43,097	25,246
Due to other funds	78,600	64,744	79,737	63,607
Due to other governments	34,767	73,468	47,031	61,204
Deferred revenues	255	246	500	1
Deposits and retainages payable	3,154	79	2,158	1,075
Other long-term obligations	0	93,288	3	93,285
Total Liabilities	$ 237,289	$ 317,535	$ 251,222	$ 303,602
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Cash and cash equivalents	$ 143,383	$ 3,472,223	$ 3,473,426	$ 142,180
Investments	6,494	59,205	5,243	60,456
Other receivables (net of allowance)	136,967	166,976	226,461	77,482
Due from other funds	24,330	46,056	24,234	46,152
Due from other governments	2,819	1,143	104	3,858
Deferred charges and other assets	13	75,704	50,288	25,429
Total Assets	$ 314,006	$ 3,821,307	$ 3,779,756	$ 355,557
LIABILITIES:				
Accounts payable	$ 79,715	$ 64,477	$ 81,426	$ 62,766
Contracts payable				
Accrued liabilities	67,908	784,459	800,815	51,552
Due to other funds	119,987	172,819	219,822	72,984
Due to other governments	40,132	77,479	52,053	65,558
Deferred revenues	264	371	632	3
Deposits and retainages payable	6,000	27,726	24,317	9,409
Other long-term obligations	0	93,288	3	93,285
Total Liabilities	$ 314,006	$ 1,220,619	$ 1,179,068	$ 355,557



1

GENERAL FIXED ASSETS ACCOUNT GROUP

Fixed assets used in governmental funds and expendable trust fund operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in the individual funds. Public domain (infrastructure) assets consisting of certain improvements other than buildings (including roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, and similar assets) are not reported in the account group.



STATE OF WASHINGTON
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	Total	Land	Buildings	Furnishings and Equipment	Other* Improvements/ Miscellaneous	Construction in Progress
General government	$ 83,266	$ 7,814	$ 56,763	$ 13,695	$ 4,465	$ 529
Human resources	426,880	4,836	252,437	26,972	22,340	120,295
Natural resources and recreation	259,145	208,219	36,976	13,242	683	25
Transportation	90,513	31,365	39,269	15,859	0	4,020
Education	1,089,383	67,255	618,226	137,054	236,237	30,611
Total General Fixed Assets	$ 1,949,187	$ 319,489	$ 1,003,671	$ 206,822	$ 263,725	$ 155,480

*Includes library resources, museum and art collections.

STATE OF WASHINGTON
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

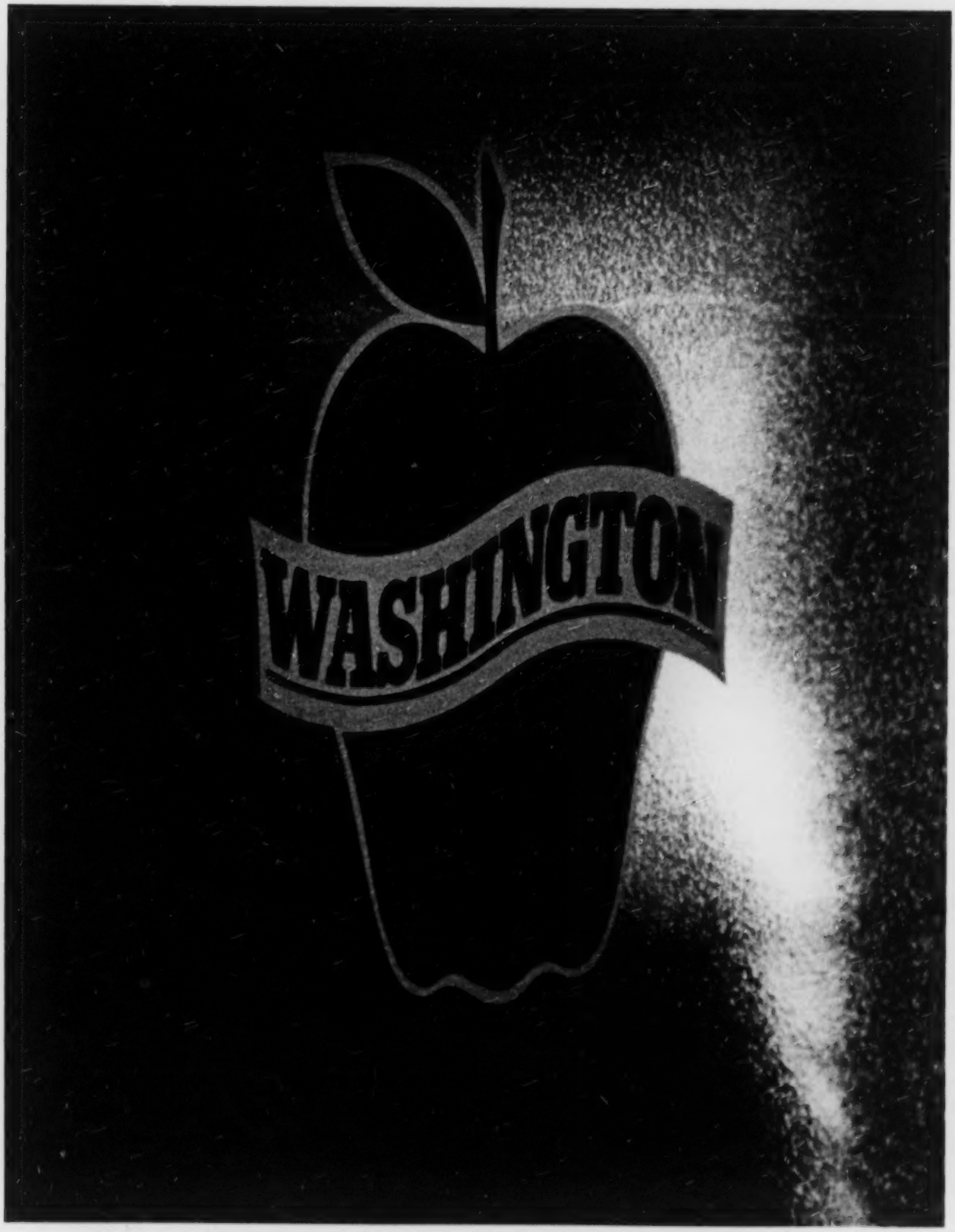
	Balance July 1, 1985	Adjustments	Adjusted Balance July 1, 1985	Additions	Deletions	Balance June 30, 1986
General government	$ 79,986	$ 103	$ 80,089	$ 3,661	$ 484	$ 83,266
Human resources	399,268	(121)	399,147	27,960	227	426,880
Natural resources and recreation	261,358	(5,542)	255,816	4,862	1,533	259,145
Transportation	73,058	(47)	73,011	128,831	111,329	90,513
Education	1,173,232	(98,860)	1,074,372	26,438	11,427	1,089,383
Total General Fixed Assets	$ 1,986,902	$ (104,467)	$ 1,882,435	$ 191,752	$ 125,000	$ 1,949,187

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

Long-term liabilities expected to be financed from governmental funds and expendable trust funds are accounted for in the General Long-Term Obligations Account Group.

STATE OF WASHINGTON
SCHEDULE OF CHANGES IN GENERAL LONG-TERM OBLIGATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	Bonds Payable	Installments and Leases Payable	Other Long-term Payables	Total General Long-Term Obligations
Balance at July 1, 1985	$ 2,398,050	$ 21,908	$ 65,689	$ 2,485,647
Unrecorded estimated workers' compensation supplemental pension benefits payable			892,000	892,000
Unrecorded compensated absences payable			19,100	19,100
Bond reclassifications	(57,155)			(57,155)
Miscellaneous leases and installments payable adjustments		(3,609)		(3,609)
Miscellaneous other long-term payable adjustments			68	68
Balance as restated	2,340,895	18,299	976,857	3,336,051
Increase in bonds payable	1,138,075			1,138,075
Increase in installments payable		2,941		2,941
Increase in leases payable		2,338		2,338
Increase in compensated absences payable			5,598	5,598
Increase in estimated workers' compensation supplemental pension benefits payable			108,000	108,000
Increase in other payables			2,394	2,394
Transfer current portion of estimated workers' compensation supplemental pension benefits payable			(90,000)	(90,000)
Retirement of principal	(773,952)	(3,595)	(1,675)	(779,222)
Balance at June 30, 1986	$ 2,705,018	$ 19,983	$ 1,001,174	$ 3,726,175


WASHINGTON

STATISTICAL SECTION

SCHEDULES

STATE OF WASHINGTON
REVENUES AND OTHER SOURCES (USES) - ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GOVERNMENTAL FUND TYPES				TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	YEAR ENDED JUNE 30, 1986	YEAR ENDED JUNE 30, 1985
Taxes:						
Retail sales	$ 2,160,748	$	$	$	$ 2,160,748	$ 2,009,744
Business and occupation	737,780				737,780	731,490
Use (compensating)	165,664				165,664	178,218
Motor vehicle and fuel	2,724	395,239			397,963	371,690
Liquor, beer, and wine	72,201	9,069			81,270	81,791
Cigarette and Tobacco	96,573	10,762			107,335	97,419
Insurance premiums	76,305				76,305	63,068
Public utility	163,705				163,705	151,645
Pari-mutuels and amusements	4,366	4,378			8,744	9,671
Property	544,776				544,776	503,146
Motor vehicle excise	229,407	26,180			255,587	217,267
Other excise	108,304				108,304	108,011
Gift and inheritance	17,570				17,570	20,355
Other taxes	89,206	59			89,265	72,195
Subtotal	4,469,329	445,687			4,915,016	4,615,710
Tax Credits:						
Business and occupation	(8,179)				(8,179)	(7,882)
Other tax credits	(2,637)				(2,637)	(1,292)
Total Taxes	4,458,513	445,687			4,904,200	4,606,536
Licenses, Permits, and Fees:						
Business and professions	25,462	3,232			28,694	26,126
Hunting and fishing	2,374	17,898			20,272	17,239
Motor vehicle	549	120,981			121,530	128,071
Motor vehicle operators	2,970	12,128			15,098	13,895
Other fees	9,465	33,527			42,992	36,630
Total Licenses, Permits, and Fees	40,820	187,766			228,586	221,961
Federal Grants-in-Aid:						
Health and human sevices	719,412	109,240		75	828,727	791,400
Department of labor	69,347	51,209			120,556	121,713
Department of agriculture	68,772	13,177			81,949	81,474
Department of transportation	2,311	361,597			363,908	370,534
Department of education	110,550	18,659	164		129,373	126,851
Other federal grants-in-aid	67,943	91,536		45	159,524	158,637
Total Federal Grants-in-Aid	1,038,335	645,418	164	120	1,684,037	1,650,609
Charges for Services:						
Tuition and student fees	131,605	29,229		15,130	175,964	164,968
Other charges	25,888	59,542		46	85,476	138,240
Total Charges for Services	157,493	88,771	0	15,176	261,440	303,208
Miscellaneous Revenue:						
Earnings on investments	25,225	48,868	15,763	10,164	100,020	119,484
Pension contributions		7,737			7,737	5,074
Property and timber management	40,757	62,850		5,685	109,292	113,732
Fines and forfeitures	21,503	39,805		20	61,328	24,658
Contributions and grants	15,602	74,044			89,646	71,068
Other	13,840	30,396	16,761	5,032	66,029	25,521
Total Miscellaneous Revenue	116,927	263,700	32,524	20,901	434,052	359,537
Total Revenues	5,812,088	1,631,342	32,688	36,197	7,512,315	7,141,851
Other Financing Sources (Uses):						
Bond sale proceeds		206,861		99,476	306,337	163,940
Bond sale proceeds from refunding			811,141		811,141	161,771
Operating transfers in (out)	(68,276)	(83,734)	264,295	(6,612)	105,673	108,966
Capital lease acquisitions	1,448	150			1,598	11,671
Total Other Financing Sources(Uses)	(66,828)	123,277	1,075,436	92,864	1,224,749	446,348
Total Revenues and Other Financing Sources (Uses)	$ 5,745,260	$ 1,754,619	$1,108,124	$ 129,061	$ 8,737,064	$ 7,588,199

STATE OF WASHINGTON
EXPENDITURES - ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

	GOVERNMENTAL FUND TYPES				TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	YEAR ENDED JUNE 30, 1986	YEAR ENDED JUNE 30, 1985
BY FUNCTION						
General government	$ 439,521	$ 172,047	$1,098,055	$ 5,093	$ 1,714,716	$ 1,097,672
Human resources	2,078,249	91,953	.....	33,286	2,203,488	2,153,772
Natural resources	174,766	132,813	.....	12,698	320,277	277,184
Transportation	23,272	822,860	.....	708	846,840	831,000
Education	2,946,112	442,513	1,135	42,326	3,432,086	3,230,834
Total Expenditures	$5,661,920	$1,662,186	$1,099,190	$ 94,111	$ 8,517,407	$ 7,590,462
BY OBJECT						
Salaries and wages:						
Higher education	$ 475,436	$ 193,892	$.....	$ 428	$ 669,756	$ 663,589
All other	565,019	251,762	.....	1,932	818,713	753,837
Total Salaries and Wages	1,040,455	445,654	.....	2,360	1,488,469	1,417,426
Personal services	22,462	30,982	.....	106	53,550	56,595
Goods and services	455,936	235,829	.....	1,593	693,358	630,672
Travel	20,040	23,114	.....	124	43,278	42,219
Employee benefits	252,100	102,345	.....	515	354,960	314,790
Grants and subsidies:						
K-12 basic education	2,208,154	15,232	.....	.....	2,223,386	1,913,490
Public assistance	1,280,174	24,377	.....	.....	1,304,551	1,139,432
Other miscellaneous	330,411	284,342	.....	9,838	624,591	938,703
Total Grants and Subsidies	3,818,739	323,951	.....	9,838	4,152,528	3,991,625
Other miscellaneous	6,755	2,742	.....	972	10,469	13,942
Capital outlay:						
Equipment	36,754	33,887	.....	1,412	72,053	102,599
All other	3,877	459,568	.....	76,489	539,934	578,550
Total Capital Outlays	40,631	493,455	.....	77,901	611,987	681,149
Debt Service:						
Principal	3,788	3,485	79,570	.....	86,843	124,145
Interest	1,014	629	206,899	702	209,244	156,128
Refunding payments to escrow agent	.....	.....	812,721	.....	812,721	161,771
Total Debt Service	4,802	4,114	1,099,190	702	1,108,808	442,044
Total Expenditures	$5,661,920	$1,662,186	$1,099,190	$ 94,111	$ 8,517,407	$ 7,590,462

STATE OF WASHINGTON
REFUNDED AND DEFEASED LONG-TERM DEBT
GOVERNMENTAL DEBT SCHEDULE
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1986
I-90 Highway Projects "Series CC"	$ 16,790	$	$ 16,790	$ 405	$ 16,385
County-City Urban Arterials "Series II"	20,000		20,000	1,625	18,375
County-City Urban Arterials "Series AI"	5,025		5,025		5,025
Urban Arterial Board, Series "III"	8,415		8,415		8,415
State Highways, "Series DD"	63,040		63,040		63,040
Fisheries Capital Projects "Series AN"	6,500		6,500	755	5,745
Fisheries Facilities "Series Y"	2,560		2,560		2,560
Waste Disposal Facilities, 1972	80,810		80,810	5,735	75,075
Waste Disposal Facilities "Series AJ"	95,315		95,315	1,975	93,340
Outdoor Recreation Facilities, 1963	10,000		10,000	10,000	
Community College Projects "Series AK"	7,300		7,300	705	6,595
Comm. Coll. Cap. Construction "Series X"	8,660		8,660	700	7,960
Capitol Campus Facilities "Series J"	3,475		3,475	280	3,195
Higher Education "Series V"	5,058		5,058	413	4,645
Higher Education "Series AW"	9,495		9,495		9,495
Higher Education "Series AP"	7,470		7,470	580	6,890
Higher Education Facilities "Series W"	20,023		20,023	1,618	18,405
Higher Education "Series AQ/A"	24,050		24,050	1,165	22,885
Outdoor Recreation Areas and Facilities "Series AD"	1,805		1,805		1,805
Social & Health Services "Series AA"	72,000		72,000	5,830	66,170
State Office Buildings "Series Z"	7,435		7,435	605	6,830
Outdoor Recreation Areas and Facilities "Series AG"	11,585		11,585	280	11,305
Jail Renovation "Series AB"	25,000		25,000	2,190	22,810
Common School Building "Series AC"	6,700		6,700	540	6,160
Performing Arts Facilities "Series AH"	1,500		1,500	120	1,380
Handicapped Facilites "Series AI"	19,480		19,480	1,215	18,265
Water Supply Facilities "Series AF"	10,000		10,000	985	9,015
Public Water Supply Facilities "Series AM"	25,895		25,895	580	25,315
State Buildings & Facilities "Series AO"	10,795		10,795	580	10,215
Social & Health Services "Series AL"	96,550		96,550	2,910	93,640
Local Jail Improvement "Series AU"	81,650		81,650		81,650
State Buildings & Facilities "Series AV"	42,955		42,955		42,955
Fisheries Facilities "Series AX"	990		990		990
Total Governmental	$ 808,326	$	$ 808,326	$ 41,791	$ 766,535
Total Retained in Escrow	$ 808,326	$	$ 808,326	$ 41,791	$ 766,535

NOTE: Secured by U.S. government obligations, excluded from debt totals.

STATE OF WASHINGTON
REFUNDED AND DEFEASED LONG-TERM DEBT
PROPRIETARY DEBT SCHEDULE
JUNE 30, 1986
(EXPRESSED IN THOUSANDS)

Bond Issue Name	Authorized	Authorized Not Issued	Issued	Redeemed	Outstanding June 30, 1986
State Board for Community Colleges:					
1969	$ 22,000	$	$ 22,000	$ 21,305	$ 695
1971	21,000		21,000	3,960	17,040
1972, Series A	10,000		10,000	2,590	7,410
Series C	10,000		10,000	2,430	7,570
Total State Board for Community Colleges	63,000		63,000	30,285	32,715
Eastern Washington University:					
1965, Series A	2,955		2,955	1,555	1,400
1972, Series C	2,600		2,600	1,030	1,570
1973, Series D	1,111		1,111	741	370
Total Eastern Washington University	6,666		6,666	3,326	3,340
Central Washington University:					
1966, Series A	2,900		2,900	1,505	1,395
1973, Series C	3,025		3,025	2,045	980
Total Central Washington University	5,925		5,925	3,550	2,375
Western Washington University:					
1965, Series A	3,850		3,850	2,010	1,840
1968, Series B	1,250		1,250	470	780
1973, Series D	4,720		4,720	1,490	3,230
Total Western Washington University	9,820		9,820	3,970	5,850
The Evergreen State College:					
1975, Series C	1,032		1,032		1,032
Total The Evergreen State College	1,032		1,032		1,032
Washington State University:					
1963, Series A	4,580		4,580	2,795	1,785
1966	2,875		2,875	1,530	1,345
1969, Series A	2,890		2,890	968	1,922
1969, Series B	2,855		2,855	1,465	1,390
1972, Series A	5,500		5,500	1,500	4,000
1974	750		750	285	465
Total Washington State University	19,450		19,450	8,543	10,907
University of Washington:					
1959, Series B	2,750		2,750	2,110	640
1960, Series C	2,000		2,000	1,500	500
1961, Series D	3,000		3,000	2,051	949
1962, Series E	3,000		3,000	2,051	949
1964, Series F	1,500		1,500	895	605
1965, Series G	5,250		5,250	3,055	2,195
1967, Series H	3,200		3,200	1,685	1,515
Series I	1,800		1,800	885	915
1969, Series J	4,000		4,000	1,295	2,705
1966, Parking System Revenue	2,500		2,500	1,230	1,270
1969, Parking System Revenue	3,500		3,500	1,090	2,410
Higher Education-UW Hospital "Series AQ/B"	40,340		40,340	810	39,530
Total University of Washington	72,840		72,840	18,657	54,183
Washington Ferry System:					
Ferry System Vessels "Series B"	56,915		56,915	3,250	53,665
Total Proprietary	$ 235,648	$	$ 235,648	$ 71,581	$ 164,067
Total Retained in Escrow	$ 235,648	$	$ 235,648	$ 71,581	$ 164,067

NOTE: Secured by U.S. government obligations, excluded from debt totals.

STATE OF WASHINGTON
DETAIL OF BOND SALE PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1986
(AMOUNTS EXPRESSED IN THOUSANDS)

	Special Revenue Fund Type	Bond Type	Amount
01C	Local Jail Improvement & Construction Account.....	Capital-Jail Construction.....	$ 33,300
055	State & Local Improvements Revolving Acct., 1980..	Capital-Waste Disposal Facilities.....	75,000
072	State & Local Improvements Revolving Account.....	Capital-Water Supply Facilities.....	10,000
108	Motor Vehicle Fund.....	Capital-State Highway Construction.....	40,000
112	Urban Arterial Trust Account.....	Capital-Road Construction (City & County)...	10,000
113	Common School Construction Account.....	Capital-School Facilities.....	40,170
	Gross Bond Proceeds - Special Revenue Fund Type.....		208,470
	Less Underwriting Fees and Issuance Costs.....		(1,609)
	Net Bond Proceeds - Special Revenue Fund Type.....		$ 206,861

	Debt Service Fund Type		
372	State General Oblig. Bond Retirement Acct., 1979..	Refunding of Bonds.....	$ 829,920
	Less Underwriting Fees and Issuance Costs.....		(18,779)
	Net Bond Proceeds - Debt Service Fund Type.....		$ 811,141

	Capital Projects Fund Type		
01L	Higher Education Construction Account.....	Capital-Higher Education.....	$ 7,500
056	State Higher Education Construction Account.....	Capital-Higher Education.....	13,670
057	State Building Construction Account.....	Capital-Capitol Facilities Improvements.....	26,090
067	Higher Education Reimbursement Bond Account.....	Capital-Higher Education.....	5,000
075	State Social & Health Services Construction Acct..	Capital-DSHS Facilities.....	47,425
	Gross Bond Proceeds - Capital Projects Fund Type.....		99,685
	Less Underwriting Fees and Issuance Costs.....		(209)
	Net Bond Proceeds - Capital Projects Fund Type.....		$ 99,476

Net Bond Proceeds - All Governmental Fund Types.....		$ 1,117,478

STATISTICS

STATE OF WASHINGTON
REVENUES AND OTHER SOURCES (USES) - ALL GOVERNMENTAL FUND TYPES
FISCAL YEARS 1977 THRU 1986
(DOLLARS IN MILLIONS)

SOURCE	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
Taxes:										
Retail sales	$2,160.7	$2,009.7	$1,970.7	$1,655.1	$1,376.3	$1,163.4	$1,113.1	$1,001.6	$ 992.3	$ 836.1
Business and occupation	737.8	731.5	678.0	576.7	522.8	448.6	396.6	408.5	306.6	263.1
Compensating	165.7	178.2	148.9	120.3	106.3	97.8	94.5	99.6	76.4	65.8
Fuel	398.0	371.7	339.8	240.7	259.8	246.8	254.6	248.8	232.6	180.4
Alcoholic beverages	81.3	81.8	84.7	85.7	80.8	77.8	63.5	65.4	61.8	57.1
Tabacco	107.3	97.4	99.0	104.5	94.2	80.3	65.0	65.2	59.9	58.2
Insurance premium	76.3	63.1	54.8	52.0	45.4	59.2	42.1	39.0	34.5	29.8
Utility	163.7	151.6	129.6	164.5	139.5	107.5	106.0	86.5	78.2	68.7
Property	544.8	503.1	472.3	447.9	397.9	354.9	322.9	278.3	235.0	203.5
Excise	363.9	325.3	313.6	256.7	215.8	171.7	148.6	145.3	114.2	97.4
Gift and inheritance	17.6	20.4	20.2	28.1	56.2	54.3	54.6	50.7	45.5	39.8
Other (less credits)	87.1	72.7	4.6	32.3	19.6	87.5	78.6	66.4	54.3	60.6
Total Taxes	4,904.2	4,606.5	4,316.2	3,764.5	3,314.6	2,949.8	2,740.1	2,555.3	2,291.3	1,960.5
Licenses, permits, & fees.	228.6	222.0	213.2	209.4	181.3	150.6	142.8	133.8	126.9	113.8
Federal grants-in-aid	1,684.0	1,650.6	1,337.0	1,309.0	1,283.2	1,505.3	1,108.7	1,033.7	817.6	854.1
Charges & misc. revenue	595.5	543.2	511.2	446.7	432.1	663.8	672.8	678.0	507.3	461.2
Earnings on investments	100.0	119.5	89.6	88.8	95.8	88.1	116.1	93.8	41.6	34.1
Total Revenue	7,512.3	7,141.8	6,467.2	5,818.4	5,307.0	5,357.6	4,780.5	4,494.6	3,784.7	3,423.7
Bond sale proceeds	1,117.5	325.7	439.1	237.1	391.1	239.1	144.4	86.3	92.0	178.0
Operating transfer in(out)	105.7	109.0	115.5	113.7	(47.2)	30.8	33.3	44.5	(113.1)	(57.6)
Capital lease acquisitions	1.6	11.7	2.7	2.9						
Total Revenues and Other Sources (Uses)	$8,737.1	$7,588.2	$7,024.5	$6,172.1	$5,650.9	$5,627.5	$4,958.2	$4,625.4	$3,763.6	$3,544.1

Note: --Data for FY 1977 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
--Data for FY 1982 to FY 1986 is per State of Washington Annual Financial Reporting System, GAAP Basis.
--Bond sale proceeds in FY 1986 includes $811.2 from refunding, or net $306.3 in new bond issues.

STATE OF WASHINGTON
EXPENDITURES - ALL GOVERNMENTAL FUND TYPES
FISCAL YEARS 1977 THRU 1986
(DOLLARS IN MILLIONS)

	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
BY FUNCTION										
General government	$1,714.7	$1,097.7	$ 918.4	$ 756.1	$ 522.5	$ 775.4	$ 750.7	$ 624.4	$ 529.1	$ 440.6
Human resources	2,203.5	2,153.8	1,959.7	1,718.0	1,518.7	1,593.7	1,329.8	1,083.1	1,034.2	865.6
Natural resources	320.3	277.2	248.9	226.4	218.0	208.8	186.2	184.1	145.0	164.0
Transportation	846.8	831.0	621.3	684.7	631.4	654.4	589.5	507.4	327.0	342.5
Education	3,432.1	3,230.8	2,985.0	2,941.0	2,863.1	2,590.1	2,172.4	1,899.9	1,578.8	1,477.6
Total By Function	$8,517.4	$7,590.5	$6,733.3	$6,326.2	$5,753.7	$5,822.4	$5,028.6	$4,298.9	$3,614.1	$3,290.3
BY OBJECT										
Salaries and wages	$1,488.5	$ 1,417.4	$ 1,317.5	$1,204.4	$1,179.2	$1,046.4	$1,051.4	$ 934.3	$ 841.6	$ 813.3
Personal service contract	53.6	56.6	34.4	28.6	26.4	32.4	23.0	21.4	13.0	17.7
Goods and services	693.3	630.7	573.2	542.4	533.3	900.8	783.3	706.3	450.4	475.2
Travel	43.3	42.2	39.6	34.1	32.4	37.0	33.9	31.0	25.0	25.0
Employee benefits	355.0	314.8	287.4	265.5	243.0	227.6	193.7	174.4	144.2	131.1
Grants and subsidies	4,152.5	3,991.6	3,738.7	3,430.0	3,084.3	3,069.6	2,692.5	2,220.9	1,946.2	1,673.5
Debt service	1,108.8	442.0	250.3	196.7	176.4	136.1	129.1	122.7	110.9	109.1
Capital outlays	612.0	681.2	491.5	618.2	553.1	437.1	242.1	272.8	179.1	209.8
Other charges, credits	10.4	14.0	0.7	6.3	(74.4)	(64.6)	(120.4)	(184.9)	(96.3)	(164.4)
Total by Object	$8,517.4	$7,590.5	$6,733.3	$6,326.2	$5,753.7	$5,822.4	$5,028.6	$4,298.9	$3,614.1	$3,290.3

Note: --Data for FY 1977 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
--Data for FY 1982 to FY 1986 is per State of Washington Annual Financial Reporting System, GAAP Basis.
--Debt service object expenditures and general government function expenditures in FY 1986 include $812.7 in bond refunding payments, or net debt service object expenditures of $296.1 and net general government function expenditures of $902.0 respectively in FY 1986.

STATE OF WASHINGTON
REVENUES AND OTHER SOURCES (USES) - GENERAL FUND
FISCAL YEARS 1977 THRU 1986
(DOLLARS IN MILLIONS)

Source	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
Taxes:										
Retail sales	$2,160.7	$1,968.8	$1,927.9	$1,610.7	$1,341.4	$1,125.5	$1,074.6	$ 966.2	$ 958.0	$ 809.9
Business & occupation	737.8	731.5	678.0	576.7	522.8	448.6	396.6	408.5	306.6	263.1
Compensating	165.7	178.2	148.9	120.3	106.3	97.8	94.4	99.6	76.4	65.8
Alcoholic beverages	72.2	73.2	75.7	76.6	70.8	67.1	55.1	56.9	53.9	49.9
Tobacco	96.6	97.4	99.0	104.4	94.2	80.3	62.6	62.8	57.6	55.9
Insurance premiums	76.3	63.1	54.8	52.0	45.4	59.2	42.1	39.0	34.5	29.8
Utility	163.7	151.6	129.6	164.5	139.5	107.6	106.0	86.5	78.2	68.7
Property	544.8	503.1	472.3	447.9	397.9	354.9	322.9	278.3	235.0	203.5
Excise	337.7	277.3	248.9	233.2	193.5	149.1	129.8	125.9	103.4	91.4
Gift and inheritance	17.6	20.4	20.2	28.1	56.2	54.3	54.6	50.7	45.5	39.8
Other (less credits)	85.4	71.0	1.2	32.7	19.9	84.7	77.8	65.3	56.7	61.2
Total Taxes	4,458.5	4,135.6	3,856.5	3,447.1	2,987.9	2,629.1	2,416.5	2,239.7	2,005.8	1,739.0
Licenses, permits, & fees.	40.8	37.9	36.3	34.2	30.0	25.3	21.7	21.9	20.0	15.9
Federal grants-in-aid	1,038.3	1,005.1	832.0	761.9	758.4	893.6	613.3	609.7	478.5	493.9
Charges & misc. revenue	249.3	215.3	217.6	182.1	184.5	270.1	152.0	143.1	101.5	176.7
Earnings on investments	25.2	32.2	31.5	26.3	28.4	18.2	54.0	40.4	15.3	6.8
Total Revenues	5,812.1	5,426.1	4,973.9	4,451.6	3,989.2	3,836.3	3,257.5	3,054.8	2,621.1	2,432.3
Operating transfer in(out)	(68.3)	39.8	29.9	40.7	(8.4)	20.5	27.2	51.2	58.0	4.2
Capital lease acquisitions	1.5	4.6	1.2							
Total Revenues and Other Sources (Uses)	$5,745.3	$5,470.5	$5,005.0	$4,492.3	$3,980.8	$3,856.8	$3,284.7	$3,106.0	$2,679.1	$2,436.5

Note: --Data for FY 1977 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
--Data for FY 1982 to FY 1986 is per State of Washington Annual Financial Reporting System, GAAP Basis.

STATE OF WASHINGTON
EXPENDITURES - GENERAL FUND
FISCAL YEARS 1977 THRU 1986
(DOLLARS IN MILLIONS)

	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
BY FUNCTION										
General government	$ 439.5	$ 519.4	$ 538.0	$ 422.6	$ 231.4	$ 404.6	$ 392.2	$ 309.0	$ 290.1	$ 214.3
Human resources	2,078.2	1,952.4	1,762.1	1,602.6	1,418.1	1,461.1	1,254.3	1,012.1	971.5	816.4
Natural resources	174.8	144.8	123.1	169.9	169.7	120.2	102.2	95.6	84.1	76.7
Transportation	23.3	21.8	16.5	17.9	17.3	20.9	13.1	10.5	9.0	8.4
Education	2,946.1	2,671.5	2,512.8	2,378.3	2,337.6	1,992.2	1,770.3	1,483.1	1,252.9	1,112.4
Total by Function	$5,661.9	$5,309.9	$4,952.5	$4,591.3	$4,174.1	$3,999.0	$3,532.1	$2,910.3	$2,607.6	$2,228.2
BY OBJECT										
Salaries and wages	$1,040.5	$ 959.2	$ 903.2	$ 803.3	$ 796.2	$ 781.1	$ 730.7	$ 629.5	$ 581.5	$ 511.6
Personal service contract.	22.5	20.3	15.9	16.8	15.7	16.6	12.4	12.1	8.5	13.2
Goods and services	455.9	331.1	317.8	257.0	242.6	237.2	212.8	208.0	166.6	142.8
Travel	20.0	19.5	17.9	12.9	11.9	14.5	14.2	13.2	10.6	9.7
Employer benefits	252.1	220.1	198.2	171.2	146.7	139.3	124.0	108.5	92.8	75.4
Grants and subsidies	3,818.7	3,690.3	3,443.7	3,281.8	2,937.0	2,837.8	2,461.7	2,015.9	1,769.5	1,500.4
Capital outlays	40.6	55.0	41.7	45.0	31.3	61.5	36.8	44.3	32.3	26.9
Other charges, credits	11.6	14.4	14.1	3.3	(7.3)	(89.0)	(60.5)	(121.2)	(54.2)	(51.8)
Total by Object	$5,661.9	$5,309.9	$4,952.5	$4,591.3	$4,174.1	$3,999.0	$3,532.1	$2,910.3	$2,607.6	$2,228.2

Note: --Data for FY 1977 to FY 1981 is per State of Washington Central Accounting System, Non-GAAP Budgetary Basis.
--Data for FY 1982 to FY 1986 is per State of Washington Annual Financial Reporting System, GAAP Basis.

STATE OF WASHINGTON
FULL-TIME EQUIVALENT STAFF COMPARISON
ALLOTTED FUNDS
FISCAL YEARS 1977 THRU 1986

Function	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
General government	5,944	5,825	5,646	5,568	5,458	5,685	5,443	5,272	4,741	4,859
Human resources	21,757	21,126	20,496	19,147	18,772	18,838	18,330	17,508	17,115	17,442
Natural resources and recreation	4,813	4,657	4,330	4,058	4,220	4,589	4,486	4,427	4,197	.4,208
Transportation	8,545	8,489	7,951	7,640	7,722	7,926	8,128	7,948	7,675	7,745
Education	28,911	28,551	27,991	27,446	28,098	29,537	28,958	28,392	26,961	26,362
Total Regular	69,970	68,648	66,414	63,859	64,270	66,575	65,345	63,547	60,689	60,616
Special employment programs.....	341	331	310	352	446	1,553	1,481	1,533	1,867	1,624
Total State	70,311	68,979	66,724	64,211	64,716	68,128	66,826	65,080	62,556	62,240

Source: Washington State Office of Financial Management.

Note: --An FTE is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year). It is not the number of employees on the payroll, nor is it the number of positions in state government. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cumulative hours paid during one fiscal year.

--The full-time equivalent staff years can be computed two ways:

1. By accumulating all full-time equivalent staff months for a full year and dividing by twelve (12).
2. By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).

STATE OF WASHINGTON
FULL-TIME EQUIVALENT STAFF COMPARISON
GENERAL FUND
FISCAL YEARS 1978 THRU 1986

Function	1986	1985	1984	1983	1982	1981	1980	1979	1978
General government	2,356	2,397	2,272	2,322	2,329	2,534	2,452	2,477	2,088
Human resources	13,235	12,250	11,743	10,308	10,002	9,572	9,894	9,183	9,114
Natural resources and recreation	2,238	1,988	1,762	1,561	1,816	1,979	2,133	1,748	1,876
Transportation	326	297	296	333	301	297	286	243	226
Education	18,036	17,664	17,672	16,130	16,984	17,894	19,195	18,303	17,554
Total.....	36,191	34,596	33,745	30,654	31,432	32,276	33,960	31,954	30,858

Source: Washington State Office of Financial Management

Notes: --These FTE's were funded by General Fund-State, and do not include FTE's funded by General Fund-Federal or General Fund-Private/Local. General Fund-State FTE data is not available for years prior to FY 1978.

--An FTE is one full calendar year of paid employment, or the equivalent of 2,088 hours (the number of available work-hours in a year). It is not the number of employees on the payroll, nor is it the number of positions in state government. It is a computed average number of state employees based upon cumulative FTE staff months during one fiscal year or cumulative hours paid during one fiscal year.

--The full-time equivalent staff years can be computed two ways:

1. By accumulating all full-time equivalent staff months for a full year and dividing by twelve (12).
2. By accumulating all paid hours for one full year and dividing by 2,088 (the available work hours in a year).

STATE OF WASHINGTON
TOTAL RESIDENT POPULATION AND COMPONENTS OF CHANGE
YEARS 1977 THRU 1986
(FIGURES IN THOUSANDS)

	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
Population (3).....	4,419.7	4,384.1	4,328.1	4,285.1	4,264.0	4,226.6	4,132.2	3,979.2	3,836.2	3,715.4
Population change										
Number.....	35.6	56.0	43.0	21.1	37.4	94.4	153.0	143.0	120.8	80.5
Percent.....	0.8	1.3	1.0	0.5	0.9	2.3	3.8	3.7	3.3	2.2
Births number.....	69.9	69.6	68.5	69.5	70.1	68.2	65.4	60.2	57.3	54.2
Deaths number.....	34.2	33.8	33.2	32.5	31.7	31.8	31.3	30.2	30.4	29.1
Net migration number	(0.1)	20.2	7.8	(15.8)	(0.9)	58.1	119.0	113.0	94.0	55.4

Note: --The 1981 estimate for the State was recalculated using 1980 population counts by age which were not available in the spring of 1981.
--Births, deaths and migration year figures are April thru March.
--Population figures are as of April 1 of each year.
--Birth and death figures are estimates for the years 1985 and 1986.

Source: Washington State Office of Financial Management.
1986 Population Trends for Washington State; August 1986.

STATE OF WASHINGTON
EMPLOYMENT COMPARISON
WASHINGTON VS. UNITED STATES
CALENDAR YEARS 1976 THRU 1985
(FIGURES IN THOUSANDS)

Total Civilian	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
Labor Force										
Washington State..	2,103.9	2,052.9	2,069.1	2,023.8	1,995.9	1,986.2	1,937.2	1,809.3	1,692.2	1,622.3
Percent change....	2.5	(0.8)	2.2	1.4	0.5	2.5	7.1	6.9	4.3	5.5
United States.....	115,464.0	113,530.9	111,517.6	110,245.7	108,671.0	106,973.0	104,961.0	102,233.0	98,984.0	96,151.0
Percent change....	1.7	1.8	1.2	1.4	1.6	1.9	2.7	3.3	2.9	2.5
Employment										
Washington State..	1,932.7	1,858.9	1,837.8	1,778.9	1,806.1	1,829.4	1,806.1	1,685.2	1,544.1	1,482.1
Percent change....	4.0	1.1	3.3	(1.5)	(1.3)	1.3	7.2	9.1	4.2	6.5
United States.....	107,154.4	105,005.0	100,824.2	99,531.0	100,396.0	99,303.0	98,825.0	96,046.0	92,017.0	88,753.0
Percent change....	2.0	4.1	1.3	(0.9)	1.1	0.5	2.9	4.4	3.7	3.4

Source: Washington State Department of Employment Security.
U.S. Department of Labor, Bureau of Labor Statistics.
Washington State Department of Revenue.

STATE OF WASHINGTON
LABOR FORCE AND EMPLOYMENT BY SECTOR
CALENDAR YEARS 1976 THRU 1985
(IN THOUSANDS)

	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
RESIDENT CIVILIAN LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE(1)										
Civilian labor force.....	2,103.9	2,052.9	2,069.1	2,023.8	1,995.9	1,986.2	1,937.2	1,809.3	1,692.2	1,622.3
Unemployment.....	171.2	194.0	231.3	244.9	189.8	156.8	131.1	124.1	148.1	140.2
Total Employment.....	1,932.7	1,858.9	1,837.8	1,778.9	1,806.1	1,829.4	1,806.1	1,685.2	1,544.1	1,482.1
Unemployment percentage rate.....	8.1%	9.5%	11.2%	12.1%	9.5%	7.9%	6.8%	6.9%	8.8%	8.6%
NON-AGRICULTURAL WAGE AND SALARY WORKERS EMPLOYED IN WASHINGTON STATE										
Manufacturing:										
Food processing.....	31.0	30.8	31.1	31.8	31.7	32.0	32.9	32.8	31.6	30.4
Lumber and wood.....	37.9	41.3	42.2	39.4	44.4	47.0	53.9	55.1	54.0	50.9
Paper products.....	16.4	16.2	15.8	16.1	17.2	17.6	15.9	14.0	17.6	17.4
Chemical and petroleum.	11.3	10.5	10.1	9.5	9.2	8.7	8.6	7.9	7.3	6.5
Metals and machinery...	51.6	51.6	47.6	50.8	53.5	54.6	54.0	49.0	44.2	42.7
Aerospace.....	76.0	66.6	65.0	74.9	79.0	79.6	72.6	59.8	46.1	45.0
Other transportation equipment.....	13.4	15.6	15.2	17.2	18.4	18.7	21.0	20.0	16.6	14.3
Other manufacturing....	56.5	54.2	51.4	49.3	49.9	50.6	50.7	46.2	42.7	40.3
Total Manufacturing..	294.0	286.8	278.3	289.0	303.3	308.8	309.7	284.7	260.1	247.4
Non-Manufacturing:										
Construction.....	79.9	79.5	74.2	78.4	90.4	93.0	104.2	92.6	77.5	66.9
Transportation, communications & utilities.	93.7	91.2	87.9	89.0	90.1	91.4	89.4	83.8	78.8	75.3
Trade.....	421.1	411.5	393.8	385.4	388.2	381.4	379.2	357.8	329.0	306.7
Finance, insurance and real estate.....	99.3	95.7	92.3	90.7	92.3	91.8	89.4	83.3	75.0	68.2
Services and misc. (2).	376.0	359.2	335.5	319.9	321.4	311.7	293.8	275.2	251.6	233.5
State & local gov't....	273.2	265.7	256.4	252.2	259.9	263.0	250.7	244.6	232.9	223.8
Federal civilian gov't.	69.9	68.9	67.6	66.3	66.5	67.9	64.7	63.6	61.9	61.0
Total Non-Manufact...	1,413.1	1,371.6	1,307.7	1,279.8	1,308.8	1,300.2	1,271.4	1,200.8	1,106.8	1,035.5
Total Wage and Salary Workers....	1,707.1	1,658.4	1,586.0	1,568.8	1,612.1	1,609.0	1,581.1	1,485.5	1,366.9	1,282.9

Figures May Not Total Due to Rounding

(1) Average of Monthly Data
(2) Includes Mining and Quarrying

Source: Washington State Department of Revenue

STATE OF WASHINGTON
AVERAGE ANNUAL WAGE RATES
CALENDAR YEARS 1976 THRU 1985
(IN DOLLARS)

	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
Construction.....$	20,738 $	20,905 $	22,789 $	24,603 $	23,733 $	21,329 $	19,289 $	17,473 $	16,075 $	15,295
Finance, insurance and real estate.....	20,108	19,432	19,268	18,347	16,541	15,128	13,890	12,727	11,450	10,532
Federal government.....	25,120	24,649	24,149	22,647	21,210	19,659	18,872	17,445	16,443	15,212
State and local gov't....	18,903	18,015	17,348	16,726	15,672	14,179	13,059	11,785	11,025	10,559
Mining.....	28,175	27,124	25,793	25,637	23,909	21,989	20,785	18,613	16,936	15,515
Transportation, communications & utilities.....	26,421	25,975	25,807	24,317	23,120	20,981	19,416	17,962	16,383	15,302
Services.....	14,992	14,379	14,575	14,375	13,974	12,760	11,592	10,541	9,757	9,008
Retail trade.....	11,203	11,057	11,248	10,930	10,365	9,708	9,118	8,527	8,009	7,561
Wholesale trade.....	22,276	21,531	21,262	20,961	20,309	18,800	17,061	15,524	14,366	13,380

Source: Washington State Department of Revenue

STATE OF WASHINGTON
PERSONAL INCOME COMPARISON
WASHINGTON VS. UNITED STATES
CALENDAR YEARS 1976 THRU 1985
(DOLLARS IN BILLIONS)

	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
CURRENT DOLLARS										
Washington										
Amount	58.59	55.47	52.03	49.81	47.60	42.51	37.88	32.91	28.03	25.17
Percent change	5.6	6.6	4.4	4.7	12.0	12.2	15.1	17.4	11.4	12.0
U.S.										
Amount	3,314.50	3,110.20	2,838.60	2,670.80	2,520.90	2,258.40	2,033.90	1,812.40	1,607.50	1,451.40
Percent change	6.6	9.6	6.3	5.9	11.6	11.0	12.2	12.7	10.8	10.0
1982 CONSTANT DOLLARS										
Washington										
Amount	52.37	51.32	49.98	49.82	50.31	49.08	48.47	46.00	42.01	40.21
Percent change	2.1	2.7	0.3	(1.0)	2.5	1.3	5.4	9.5	4.5	5.8
U.S.										
Amount	2,963.00	2,877.50	2,726.60	2,671.10	2,664.50	2,607.70	2,602.60	2,533.10	2,409.10	2,318.50
Percent change	3.0	5.5	2.1	0.2	2.2	0.2	2.7	5.1	3.9	4.4

Source: Washington State Department of Revenue

STATE OF WASHINGTON
PERSONAL INCOME BY COMPONENT
CALENDAR YEARS 1976 THRU 1985
(DOLLARS IN BILLIONS)

	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
Total Personal Income	58.586	55.472	52.030	49.814	47.600	42.510	37.878	32.913	28.032	25.174
Percent change	5.6	6.6	4.4	4.7	12.0	12.2	15.1	17.4	11.4	12.0
Total Earnings	40.405	38.082	35.907	34.548	33.986	31.327	28.595	24.919	21.017	18.689
Percent change	6.1	6.1	3.9	1.7	8.5	9.6	14.8	18.6	12.5	11.6
Wages & salaries	34.259	32.324	30.727	29.922	29.195	26.656	24.056	20.644	17.631	15.608
Percent change	6.0	5.2	2.7	2.5	9.5	10.8	16.5	17.1	13.0	12.3
Other labor income	3.334	3.076	2.783	2.529	2.267	2.055	1.785	1.556	1.301	1.076
Percent change	8.4	10.5	10.0	11.6	10.3	15.1	14.7	19.6	21.0	17.7
Farm proprietor's inc.	0.653	0.694	0.688	0.600	0.661	0.489	0.543	0.642	0.331	0.458
Percent change	(5.9)	0.8	14.7	(9.2)	35.2	(9.9)	(15.4)	94.0	(27.7)	(30.4)
Non-farm proprietor's income	2.160	1.988	1.709	1.497	1.863	2.127	2.211	2.077	1.754	1.547
Percent change	8.6	16.3	14.2	(19.7)	(12.4)	(3.8)	6.5	18.4	13.4	20.3
Less: personal contrib. for social insurance	2.698	2.417	2.274	2.188	2.121	1.830	1.643	1.366	1.147	1.064
Percent change	11.6	6.3	4.0	3.1	15.9	11.4	20.3	19.1	7.8	4.7
Plus: residence adjust	0.754	0.741	0.696	0.651	0.591	0.559	0.514	0.429	0.415	0.467
Percent change	1.7	6.5	6.9	10.1	5.7	8.8	19.8	3.4	(11.1)	23.4
Dividends/interest/rent	11.448	10.938	9.814	9.392	8.589	6.796	5.706	4.729	3.883	3.459
Percent change	4.7	11.5	4.5	9.3	26.4	19.1	20.7	21.8	12.3	13.3
Transfer payments	8.676	8.129	7.888	7.412	6.554	5.659	4.706	4.203	3.867	3.626
Percent change	6.7	3.1	6.4	13.1	15.8	20.2	12.0	8.7	6.6	9.2

Figures May Not Total Due to Rounding

Source: Washington State Department of Revenue

STATE OF WASHINGTON
PROPERTY TAX VALUATIONS AND AVERAGE TAX RATES
CALENDAR YEARS 1976 THRU 1985 BY YEAR DUE
(DOLLARS IN BILLIONS)

	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
Assessed valuation (1)										
County.....	141.743	134.963	137.928	118.395	105.678	73.063	63.105	56.089	48.357	42.496
State.....	6.454	5.803	5.476	4.850	4.202	3.728	3.477	3.079	3.023	2.711
Total.....	148.197	140.766	143.404	123.245	109.880	76.791	66.582	59.168	51.380	45.207
Percent change.....	5.3%	-1.8%	16.4%	12.2%	43.1%	15.3%	12.5%	15.2%	13.7%	10.9%
Total taxes levied.....	1.678	1.509	1.434	1.243	1.129	1.006	1.064	1.002	0.927	0.727
Percent change.....	11.2%	5.2%	15.4%	10.1%	12.1%	-5.4%	6.2%	8.1%	27.5%	-9.8%
Average tax rate in dollars per thousand(2).	11.44	10.83	10.06	10.10	10.28	13.11	15.98	16.94	18.05	16.09

(1) County assessed valuations as equalized by the county boards of equalization, and state assessed valuations are valuations of intercounty utilities and private car companies as equalized by the State Board of Equalization for county purposes.

(2) Total taxes levied divided by total assessed valuation. All years adjusted to dollars per thousand levied on 100% assessment level.

Source: Washington State Department of Revenue, Property Tax Division.

STATE OF WASHINGTON
SELECTED FINANCIAL RATIOS
CALENDAR YEARS 1976 THRU 1985

	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
State bond debt per capita	614.96	580.18	527.19	440.20	357.00	317.51	332.73	319.84	301.18	255.30
State bond debt/percent of personal income.....	4.85%	4.54%	4.32%	3.75%	3.17%	3.08%	3.50%	3.73%	3.99%	3.69%
Total debt service/percent of personal income.....	0.60%	0.86%	0.41%	1.20%	0.53%	0.30%	0.32%	0.34%	0.35%	0.36%
State bond debt/percent of market value of taxable property.....	1.68%	1.60%	1.50%	1.20%	1.04%	1.03%	1.27%	1.45%	1.61%	1.60%
Factors:										
Population (millions) (1).	4.384	4.328	4.285	4.264	4.227	4.132	3.979	3.836	3.715	3.635
Personal income (billions) (2).....	58.586	55.472	52.030	49.814	47.600	42.510	37.878	32.913	28.032	25.174
Total debt service (in millions) (3).....	350	475	213	599	252	125	120	112	99	90
Market value of taxable property (in billions)(4)	160.193	156.995	150.999	156.893	144.466	127.698	103.916	84.489	69.460	58.140
State bond debt (in billions) (3).....	2.696	2.511	2.259	1.877	1.509	1.312	1.324	1.227	1.119	0.928

Sources: (1) Washington State Office of Financial Management.
1986 Population Trends for Washington State, August 1986.
(2) Office of the Forecast Council, September 1986.
(3) Washington Office of State Treasurer, January 1986.
(4) Washington State Department of Revenue.

NOTE: Inventory removed from tax base in 1983.

STATE OF WASHINGTON
RATIO OF ANNUAL DEBT SERVICE TO EXPENDITURES
ALL GOVERNMENTAL FUNDS
FISCAL YEARS 1977 THRU 1986
(DOLLARS IN MILLIONS)

	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
Principal	$ 86.8	$ 86.4	$ 73.2	$ 60.9	$ 57.3	$ 54.6	$ 52.2	$ 49.4	$ 48.1	$ 50.1
Interest	209.3	193.8	177.1	135.8	119.1	81.5	76.9	73.3	62.8	59.0
Total Debt Service(1)(2)	$ 296.1	$ 280.2	$ 250.3	$ 196.7	$ 176.4	$ 136.1	$ 129.1	$ 122.7	$ 110.9	$ 109.1
Total Governmental Funds Expenditures (1)(2)	$7,704.7	$7,428.7	$6,733.3	$6,326.2	$5,753.7	$5,822.4	$5,028.6	$4,298.9	$3,614.1	$3,290.3
Ratio Debt Service to Governmental Funds Expenditures	3.8	3.8	3.7	3.1	3.1	2.3	2.6	2.9	3.1	3.3

(1) Excludes $161.8 for refunding of bonds in FY 1985.
(2) Excludes $812.7 for refunding of bonds in FY 1986.

STATE OF WASHINGTON
VALUE OF AGRICULTURE PRODUCTION
CALENDAR YEARS 1976 THRU 1985
(DOLLARS IN MILLIONS)

	1985 As Percent of 1984	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
Field crops	80.1	$1,208.7	$1,508.7	$1,484.6	$1,356.1	$1,412.8	$1,432.1	$1,012.7	$ 961.4	$ 753.4	$ 920.5
Fruit and nut crops	104.7	483.0	461.5	502.1	388.9	438.4	369.8	457.5	417.8	361.9	283.5
Vegetable crops	104.2	156.0	149.7	138.8	144.9	137.0	118.0	127.1	103.7	86.7	92.3
Seed crops (1)	N/A	25.2	N/A	N/A	N/A	32.0	41.8	32.0	35.4	27.1	30.3
Berry crops	130.5	28.7	22.0	26.8	28.8	22.3	17.3	21.9	20.8	18.2	15.0
Total Crops		1,901.6	2,141.9	2,152.3	1,918.7	2,042.5	1,979.0	1,651.2	1,539.1	1,247.3	1,341.6
Specialty products(2)	106.2	189.3	178.3	179.0	170.1	173.2	160.4	186.0	141.6	150.0	108.8
Livestock and livestock products	94.8	881.5	930.3	908.5	892.5	881.8	811.0	765.9	602.1	486.6	483.5
State Total		$2,972.4	$3,250.5	$3,239.8	$2,981.3	$3,097.5	$2,950.4	$2,603.1	$2,282.8	$1,883.9	$1,933.9

(1) Seed crops not available for 1982 through 1984 due to program modifications.
(2) Includes forestry products, nursery products, greenhouse products, other horticultural products and mushrooms.

Source: Washington State Department of Agriculture.

STATE OF WASHINGTON
RANK ORDER OF PRINCIPAL COMMODITIES VALUE
CALENDAR YEARS 1976 THRU 1985
(DOLLARS IN THOUSANDS)

Commodities	Rank 1985	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	% Change 1985 vs. 1984
Milk	1	478,471	466,845	476,019	439,991	416,648	382,754	343,956	291,575	255,920	243,771	2.5
Wheat	2	436,050	553,208	636,783	561,076	659,932	637,676	460,200	442,152	284,667	394,697	(21.2)
Cattle and calves	3	341,620	339,578	317,284	335,024	321,342	311,142	256,558	208,426	138,230	144,493	0.6
Apples	4	287,784	326,220	348,790	252,895	301,530	247,695	332,613	270,648	270,970	212,336	(11.8)
Hay	5	206,303	235,141	206,848	201,894	171,585	216,563	183,309	125,305	130,112	161,436	(12.3)
Potatoes	6	205,821	293,164	229,840	198,000	209,034	193,314	123,548	123,737	141,680	139,500	(29.8)
Barley	7	116,112	143,325	140,352	110,184	110,200	93,848	43,205	43,578	17,672	48,859	(19.0)
Nursery products	8	95,000	100,000	100,000	96,000	97,000	90,000	79,000	.....	.....	.....	(5.0)
Hops	9	68,750	86,732	92,061	93,067	89,205	86,166	38,454	34,838	48,982	34,039	(20.7)
All pears	10	66,002	55,428	48,973	52,005	55,352	54,592	52,557	53,052	35,000	27,848	19.1
Corn, grain	11	57,240	69,750	63,712	72,000	43,463	42,240	34,958	19,687	18,003	12,875	(17.9)
Eggs	12	55,103	67,803	58,110	60,253	64,603	53,095	49,712	43,719	44,823	47,345	(18.7)
Asparagus	13	42,443	37,454	35,158	33,145	29,268	20,894	26,371	24,335	21,815	18,727	13.3
Sweet cherries	14	36,588	40,654	55,709	37,888	41,479	30,139	41,101	46,966	25,427	18,788	(10.0)
Chickens and broilers	15	34,060	36,876	30,879	29,760	33,716	27,894	26,842	23,389	21,084	19,633	(7.6)
Sweet corn, all	16	27,344	21,240	24,187	35,856	23,909	20,675	23,214	20,450	14,996	15,023	28.7
Mint oil	17	27,240	25,196	17,814	13,409	16,365	19,885	17,116	27,240	29,724	19,994	8.1
Corn, silage	18	26,620	26,450	28,750	30,360	24,182	27,531	20,900	18,895	21,120	24,548	0.6
Green peas, processing	19	23,616	26,932	20,037	25,455	17,907	18,406	30,967	.....	.....	.....	(12.3)
Grapes	20	20,642	20,853	34,252	31,299	30,102	25,865	20,971	35,717	21,648	15,299	(1.0)
Lentils	21	18,170	11,882	9,775	21,165	22,688	43,358	35,160	21,930	7,286	16,341	52.9
Lettuce	22	14,127	3,373	3,080	2,398	3,112	3,072	2,387	1,612	1,591	1,845	318.8
Dry edible beans	23	13,632	12,585	6,497	10,341	25,530	29,700	19,200	9,275	6,627	6,006	8.3
Alfalfa seed	24	13,540	.....	.....	.....	.....	.....	.....	.....	.....	.....	N/A
Onions	25	12,919	20,344	21,558	7,910	22,330	14,562	8,215	11,552	5,727	6,262	(36.5)
Dry edible peas	26	11,257	15,743	19,161	18,614	14,729	17,993	13,884	16,800	6,302	14,961	(28.5)
Carrots	27	9,433	10,941	8,871	7,436	9,781	11,128	8,376	5,171	6,791	8,793	(13.8)
Cucumbers, processing	28	8,356	2,717	.....	.....	.....	.....	.....	.....	.....	.....	207.5
Red raspberries	29	8,214	8,047	7,482	11,892	6,916	4,700	8,854	9,335	6,531	4,361	2.1
Kentucky bluegrass seed	30	7,797	.....	.....	.....	.....	.....	.....	.....	.....	.....	N/A
Cranberries	31	7,223	5,706	6,563	4,192	5,379	3,442	3,925	3,016	2,570	1,401	26.6
Peaches	32	6,971	9,239	6,244	6,021	4,719	5,549	4,991	5,472	4,223	4,312	(24.5)
Hogs	33	6,950	8,992	9,660	9,477	12,087	18,214	12,741	11,463	8,784	9,641	(22.7)
Strawberries	34	5,229	5,424	7,777	8,072	6,440	6,038	5,696	4,452	5,626	6,945	(3.6)
Mink	35	3,462	6,928	5,504	5,909	6,912	6,417	7,740	.....	.....	.....	(50.0)
Mushrooms	36	3,450	5,186	5,474	5,688	4,713	.....	.....	.....	.....	.....	(33.5)
Blueberries	37	3,218	2,390	4,637	4,283	2,783	2,790	2,626	3,092	2,445	1,676	34.6
Prunes	38	3,108	2,716	2,374	3,454	1,688	3,436	2,822	3,174	2,244	2,484	14.4
Sheep, lambs and wool	39	2,717	2,590	2,430	2,687	3,270	3,002	3,140	3,289	2,398	2,833	4.9
Oats	40	2,240	3,672	3,347	3,478	3,504	3,906	2,973	2,819	1,957	3,175	(39.0)

Source: Washington State Department of Agriculture

Note: "....." indicates data not available.

STATE OF WASHINGTON
INTERNATIONAL TRADE FACTS
ALL WASHINGTON PORTS
CALENDAR YEARS 1977 THRU 1985
(DOLLARS IN MILLIONS)

	1985	1984	1983	1982	1981	1980	1979	1978	1977
Exports (1).....	13,215	11,611	12,125	11,345	14,735	14,023	10,920	7,181	5,448
Imports.....	20,402	19,190	17,863	16,079	18,043	16,128	13,004	10,022	8,442
Trade Balance.....	(7,187)	(7,579)	(5,738)	(4,734)	(3,308)	(2,105)	(2,084)	(2,841)	(2,994)
Two Way Trade.....	33,617	30,801	29,988	27,424	32,778	30,151	23,924	17,203	13,890

Source: Washington State Department of Trade and Economic Development. (U.S. Census Bureau)

(1) These figures indicate total international trade from the state of Washington, including bonded shipments to other states and Canada. (Includes Boeing Company figures).

STATE OF WASHINGTON
MAJOR EXPORT TRADING PARTNERS
CALENDAR YEARS 1977 THRU 1985
(DOLLARS IN MILLIONS)

Partners	1985*	1984*	1983*	1982*	1981	1980	1979	1978	1977
Japan.....	3,477	3,502	2,325	2,462	2,723	3,154	1,958	1,679	1,212
Canada.....	2,114	2,296	1,971	1,865	2,559	2,356	2,232	1,704	1,461
South Korea.....	1,021	963	786	599	669	628	482	359	226
United Kingdom.....	932	701	73	81	86	78	64	51	60
China.....	782	302	234	203	169	142	71	40	7
Taiwan.....	659	632	484	269	443	358	260	174	95
Australia.....	542	298	101	165	134	138	83	456	66
Singapore.....	522	539	135	85	88	74	39	26	19
Hong Kong.....	417	325	152	137	181	128	75	51	36
Egypt.....	22	223	72	95	100	21	246	456	.....

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

*Based on all Washington state ports, all methods of transportation.

STATE OF WASHINGTON
MAJOR IMPORT TRADING PARTNERS
CALENDAR YEARS 1977 THRU 1985
(DOLLARS IN MILLIONS)

Partners	1985*	1984*	1983*	1982*	1981	1980	1979	1978	1977
Japan.....	9,216	8,523	6,668	6,239	6,410	4,900	3,897	3,303	2,712
Canada.....	3,214	3,165	2,730	2,419	2,684	2,606	2,695	2,289	1,918
Taiwan.....	2,077	1,947	2,347	1,748	2,052	2,030	1,572	1,029	704
South Korea.....	1,349	1,259	1,334	1,024	1,279	1,177	855	639	509
Hong Kong.....	950	970	1,189	1,104	1,318	1,335	1,059	623	529
Australia.....	532	497	421	449	458	502	460	374	296
United Kingdom.....	464	247	34	29	82	53	32	27	18
Singapore.....	390	525	374	353	340	316	208	112	87
Indonesia.....	384	348	663	498	637	860	565	483	412
China.....	315	312	246	206	188	140	119	42	22

Source: Washington State Department of Trade and Economic Development (U.S. Census Bureau).

*Based on all Washington state ports, all methods of transportation.

STATE OF WASHINGTON
PUBLIC SCHOOL ENROLLMENT GRADES K-12
AVERAGE ANNUAL FULL-TIME EQUIVALENT ENROLLMENT
ACADEMIC YEARS 1976 THRU 1986

Grades	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80	1978-79	1977-78	1976-77
K-8	474,549	471,601	473,620	477,511	484,703	489,452	489,876	489,468	493,098	495,825
9-12	234,400	230,946	225,999	224,263	228,061	233,164	239,574	245,449	248,987	248,538
Total All	708,949	702,547	699,619	701,774	712,764	722,616	729,450	734,917	742,085	744,363

Annual Average for 10 Year Period	
K-8	483,970.3
9-12	235,938.1
Total All	719,908.4

Source: Washington State Superintendent of Public Instruction.

Note: A Full-Time Equivalent student is defined as:
a. Kindergarten -- 4 classroom hours/day for 90 days or 2 classroom hours/day for 180 days.
b. Grades 1 thru 3 -- 4 classroom hours/day for 180 days.
c. Grades 4 thru 12 -- 5 classroom hours/day for 180 days.

STATE OF WASHINGTON
PUBLIC HIGHER EDUCATION ENROLLMENT
AVERAGE ANNUAL FULL-TIME EQUIVALENT ENROLLMENT
YEARS 1976 THRU 1986

	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81	1979-80	1978-79	1977-78	1976-77
Community College	83,556	83,225	82,317	82,110	86,101	100,357	97,848	88,193	85,666	83,291
4 Year Schools	69,344	69,570	69,966	70,012	71,768	74,164	72,487	70,542	71,115	70,475
Total	152,900	152,795	152,283	152,122	157,869	174,521	170,335	158,735	156,781	153,766

Annual Average for 10 Year Period	
Community College	87,266.4
4 Year Schools	70,944.3
Total	158,210.7

Source: Washington State Superintendent of Public Instruction.
Washington State Higher Education Enrollment Reports, 1976-86.
Washington State Board for Community College Education, MIS-1 Report.

Note: A Full-Time Equivalent student is defined as:
a. Kindergarten -- 4 classroom hours/day for 90 days or 2 classroom hours/day for 180 days.
b. Grades 1 thru 3 -- 4 classroom hours/day for 180 days.
c. Grades 4 thru 12 -- 5 classroom hours/day for 180 days.

STATE OF WASHINGTON
DOMESTIC FINANCIAL INSTITUTION DEPOSITS
CALENDAR YEARS 1976 THRU 1985
(DOLLARS IN MILLIONS)

Financial Institutions	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
National Banks (1).....	21,326	18,224	16,850	16,284	16,269	17,302	14,721	12,160	10,558	10,613
Percent Increase.....	17.0	8.2	3.5	0.1	(6.0)	17.5	21.1	15.2	(0.5)	31.0
State Chartered Banking Institutions (2)										
Commercial Banks.....	3,778	3,881	3,564	3,028	2,788	2,741	2,637	2,294	1,911	1,685
Percent Increase.....	(2.7)	8.9	17.7	8.6	1.7	3.9	15.0	20.0	13.4	7.1
Mutual Savings Banks.....	4,089	4,796	4,537	3,601	3,905	4,060	3,867	3,635	3,437	3,177
Percent Increase.....	(14.7)	5.7	26.0	(7.8)	(3.8)	5.0	6.4	5.8	8.2	28.4
Branches of Foreign Banks	499	563	630	466	412	322	419	362	259	228
Percent Increase.....	(11.4)	(10.6)	35.2	13.1	28.0	(23.2)	15.7	39.8	13.6	22.6
Federal Chartered Credit Unions (3).....	3,335	1,061	850	740	650	644	599	561	479	378
Percent Increase.....	214.3	24.8	14.9	13.8	0.9	7.5	6.8	17.1	26.7	26.0
Federal Chartered Home Loan Banks (4).....	9,704	9,111	8,330	7,000	5,700	5,700	5,400	5,100	4,600	4,000
Percent Increase.....	6.5	9.4	19.0	22.8	0.0	5.6	5.9	10.9	15.0	11.1
State Chartered Credit Unions (5).....	2,265	1,673	1,556	1,287	1,062	1,036	906	899	780	632
Percent Increase.....	35.4	7.5	20.9	21.2	2.5	14.3	0.8	15.3	23.4	26.4
State Chartered Savings & Loan Associations (5)....	1,919	1,482	1,374	1,251	1,674	1,741	1,598	1,421	1,240	1,038
Percent Increase.....	29.5	7.9	9.8	(25.3)	(3.8)	8.9	12.5	14.6	19.5	18.4

(1) Source: Comptroller of the Currency, Washington D.C.
(2) Source: Washington State Department of General Administration, Division of Banking and Consumer Finance.
(3) Source: Washington Credit Union League, Seattle, Washington.
(4) Source: Federal Home Loan Bank, Seattle, Washington.
(5) Source: Washington State Department of General Administration, Division of Savings and Loan Associations.